



**Millennium Alpha Products -  
Product Disclosure Statement**

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**MillenniumALPHA Global**

NAS:0000001716941

ISSUE DATE: 02-01-2019



**美联金融**  
**Millennium ALPHA**

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## **This PDS**

This Product Disclosure Statement (PDS) is dated 2 January 2019 and was prepared by MillenniumALPHA Global, as the issuer of the following over the counter (OTC) Products: ▪ spot foreign exchange currency pairs (Spot FX Product); ▪ spot metals (Spot Metals Product); ▪ Commodity Derivatives; and ▪ Indices collectively referred to as MillenniumALPHA Global Products. All financial products issued by MillenniumALPHA Global are over-the-counter-derivative financial products and are not exchange-traded financial products. This PDS describes the key features of MillenniumALPHA Global Products, their benefits, risks, the costs and fees of trading in MillenniumALPHA Global Products and other related information. MillenniumALPHA Global Products are sophisticated financial products so you should read this PDS and the Financial Product Service Terms in full before making any decision to invest in them.

## **Your Liability**

Your potential liability is not limited to the amount you pay MillenniumALPHA Global or we keep in the MillenniumALPHA Global Trust Account. We may ask you to pay amounts in excess of those amounts to cover any shortfall. Your liability on MillenniumALPHA Global Products can be unlimited. You should carefully consider the risks of MillenniumALPHA Global Products and your capacity to meet your liability before investing in MillenniumALPHA Global Products.

## **MillenniumALPHA Global does not give personal advice**

MillenniumALPHA Global will not give you personal financial advice. This PDS does not constitute a recommendation or opinion that MillenniumALPHA Global Products are appropriate for you. Potential investors should be experienced in OTC and derivative financial products and understand and accept the risks of investing in MillenniumALPHA Global Products. The information in this PDS is general only and does not take into account your personal objectives, financial situation and needs. This PDS does not constitute advice to you on whether MillenniumALPHA Global Products are appropriate for you. This PDS describes the MillenniumALPHA Global Products which are issued to you in accordance with the Financial Product Service Terms. You should read all of this PDS and the Financial Product Service Terms before making a decision to deal in financial products covered by this PDS. We recommend that you contact us if you have any questions arising from this PDS or the Financial Product Service Terms prior to entering into any Transactions with us. MillenniumALPHA Global recommends that you obtain independent legal, financial and tax advice before trading.

## **Your Suitability to Trade MillenniumALPHA Global Products**

If we ask you for your personal information to assess your suitability to trade MillenniumALPHA Global Products and we accept your application to trade MillenniumALPHA Global Products, this is not personal advice or any other advice to you. You must not rely on our assessment of your suitability since it is based on the information you provide and the assessment is only for our purposes of deciding whether to open an Account for you and is separate from your decision to trade MillenniumALPHA Global Products. You remain solely responsible for your own assessments of the features and risks and seeking your own advice on whether these MillenniumALPHA Global Products or any particular OTC Products are suitable for you.

## **Currency of PDS**

A copy of this PDS and the Financial Product Service Terms can be downloaded from the website or you can call MillenniumALPHA Global to request that a paper copy of them be provided to you free of charge. The information in this PDS is up to date at the time it was prepared but is subject to change at any time. Any updates will be posted on our website ([www.oafx.eu](http://www.oafx.eu)). If the new information is information which is materially adverse to you, we will issue either a new PDS or a supplementary PDS containing the new information. If the new information is not materially adverse to you, you will be able to find updated information on our website (at [www.oafx.eu](http://www.oafx.eu)) or by calling us using the contact details given in this document. If you ask us, we will send you without charge a paper copy of the information.

## **Contact**

MillenniumALPHA Global can be contacted at:  
Email: [cs@oafx.eu](mailto:cs@oafx.eu)  
Website: [www.oafx.eu](http://www.oafx.eu)

## **Section 2 – Features Key Information**

### **Key Features of MillenniumALPHA Global Products**

- MillenniumALPHA Global Products are sophisticated, high-risk, over-the counter financial products issued by MillenniumALPHA Global. They are not exchange-traded.
- Each MillenniumALPHA Global Product which is agreed and entered into with you will be entered into by MillenniumALPHA Global as principal.
- Unlike products traded on an Exchange, OTC products are not forced to have the same standardised contract specifications as the exchange traded products. The sizes of the MillenniumALPHA Global Products are expressed in Lot Sizes, depending on the particular financial product traded.
- You (the Client) must fund your Account with MillenniumALPHA Global before MillenniumALPHA Global Products may be issued to you. You do this by paying at least the Initial Margin.
- You remain liable to pay later Margin amounts and to maintain the required amount of Margin. If you do not maintain the required Margin or you do not pay the required Margin call by the required time, your MillenniumALPHA Global Products can be Closed Out and you remain liable to pay for any remaining shortfall.
- There is high degree of leverage in MillenniumALPHA Global Products because you pay to MillenniumALPHA Global only Margin, not the full face value. All payments to MillenniumALPHA Global for MillenniumALPHA Global Products are paid as Margin, therefore the more Margin you pay, the less leverage you have.

### **Key Benefits of MillenniumALPHA Global Products**

- Hedging: MillenniumALPHA Global Products can be used as important risk management tools. For example, FX Products are used to hedge foreign exchange currency exposures, protect against adverse exchange rate movements and provide certainty of foreign exchange rates and cash flow. Commodity Derivatives, and Metal Products can give some protection against movements in the market price of the underlying asset and provide increased cash flow certainty.
- Speculation: MillenniumALPHA Global Products can be used for speculation, with a view to profiting from fluctuations in the underlying market, e.g., exchange rate fluctuations for FX Products or the market price of the underlying asset for Commodity Derivatives and Metal Products.
- Profit potential in both rising and falling markets: Since the markets are constantly moving, there are almost always trading opportunities, whether a currency is strengthening or weakening in relation to another currency or the market price of the underlying asset is rising or falling. There is a potential for profit (and loss) in both rising and falling markets depending on the strategy you have employed. Strategies may be complex and each strategy will have different levels of risk associated with them.
- Tailored – A major benefit of entering into MillenniumALPHA Global Products is that the transaction is not forced to have the same standardised contract specifications as the exchange traded contracts. For example, MillenniumALPHA Global allows you to enter into transactions in smaller amounts for example 0.01 of a Lot, whereas exchange-traded contracts are a standard size.
- Leverage: The use of MillenniumALPHA Global Products involves a high degree of leverage. These OTC products enable a Client to outlay a relatively small amount (in the form of Initial Margin) to secure an exposure to the full face value of the product. This leverage can work against you as well as for you. The use of leverage.

### **Key Risks of MillenniumALPHA Global Products**

This is an outline of the key risks of investing in MillenniumALPHA Global issued products. For a description of all of the significant risks, please see Section 4.

- Leverage – MillenniumALPHA Global Products are highly leveraged. This is because the amount you pay (Margin) to MillenniumALPHA Global is significantly less than the full face value. You should be prepared for the greater risks from this kind of leveraged investment, including being liable to pay MillenniumALPHA Global more Margin and those Margin requirements changing rapidly in response to changes in the relevant underlying market.
- Loss of your moneys – Your potential losses on dealing in MillenniumALPHA Global Products may exceed the amounts you pay (as Margin) for your MillenniumALPHA Global Products, or amounts MillenniumALPHA Global holds in MillenniumALPHA Global Trust Account.
- Unlimited loss – Your potential losses on MillenniumALPHA Global Products may be unlimited.
- Limited recourse – MillenniumALPHA Global limits its liability to you under the terms of the MillenniumALPHA Global Products by the extent to which MillenniumALPHA Global actually recovers against its Hedge Counterparty and allocates that to your MillenniumALPHA Global Products. This key risk is linked to “counter party risk”. Both limited recourse risk and counter party risk are further explained in Section 3 under “Your Counter party Risk on MillenniumALPHA Global”.
  - Margining – You are liable to pay Margin before MillenniumALPHA Global Products are issued and you may be required to pay more Margin before MillenniumALPHA Global Products are Closed Out. Margin requirements can change rapidly. If you do not meet Margin requirements, including at little or no notice, all or portion of your MillenniumALPHA Global Products may be Closed Out without notice to you. It is important that you accept the risk that if you use your Non-margin product as Margin and so contribute towards meeting your Margin requirements arising from the MillenniumALPHA Global Products, there may be additional Margin requirements relating to your Account and those Non-margin products are at the same risk as your Margin products.
  - Foreign Exchange – MillenniumALPHA Global Products which are denominated in foreign currency can expose you to rapid, significant and large changes to the value of your Trading Account.

▪ Counter party risk – you have the risk that MillenniumALPHA Global will not meet its obligations to you under the MillenniumALPHA Global Products. MillenniumALPHA Global Products are not exchange-traded so you need to consider the credit and performance risk you have on MillenniumALPHA Global and the limited recourse arrangements. This is further explained in Section 3 under “Your Counter party Risk on MillenniumALPHA Global”.

### Your suitability

Some key suitability considerations for you are:

- whether you have experience in trading in the financial products which relate to the MillenniumALPHA Global Products you choose;
- whether you understand the terms of MillenniumALPHA Global Products and how they work;
- whether you understand the concepts of leverage, margins and volatile markets and prices;
- whether you accept a high degree of risk in trading in MillenniumALPHA Global Products;
- whether you understand that the nature of trading in OTC financial products such as MillenniumALPHA Global Products do not provide investors with interests or rights in the underlying financial products which relate to the MillenniumALPHA Global Products;
- whether you understand the processes and technologies used in trading MillenniumALPHA Global Products;
- whether you can monitor your investments in MillenniumALPHA Global and manage them in a volatile market;
- whether you can manage the risks of trading in MillenniumALPHA Global Products;
- whether you have financial resources to provide more Margin, especially on little or no notice; and
- whether you can bear substantial losses that might arise from trading in MillenniumALPHA Global Products, especially the potentially unlimited losses on dealing in short MillenniumALPHA Global Products.

Our assessment of your suitability is based on your information and any other information we ask and you give us. Our policy includes assessing the information you give us by your online responses, the information you give us and any responses you give us by email, telephone or in meetings. We may keep the information which you give us to help monitor our policy and for the requirements of a financial services licensee.

As a result of our assessment we might limit some features for your Account.

Our assessment of your suitability to trade in MillenniumALPHA Global Products and any limits we set for your Account (or later change to those limits) should not be taken as personal advice to you to trade in MillenniumALPHA Global Products nor does it imply that we are responsible for any of your losses from trading in MillenniumALPHA Global Products.

To the extent permitted by law, we do not accept liability for your choice to invest in any MillenniumALPHA Global Products so you should read all of this PDS carefully, consider your own needs and objectives for investing in these MillenniumALPHA Global Products and take independent advice as you see fit. Even if we assess you as suitable to commence trading MillenniumALPHA Global Products with us, we urge you to use our demonstration accounts for a while to ensure you are familiar with the terminology of MillenniumALPHA Global Products and how they work.

### Nature of MillenniumALPHA Global Products

MillenniumALPHA Global Products are sophisticated over-the-counter financial product that you buy from MillenniumALPHA Global. The terms of any payment when it is Closed Out reflects the performance of an Underlying Reference Instrument that you have chosen including, among others, foreign exchange, spot precious metals, equities, futures and options. The amount of profit or loss is determined by the difference between the price at which the MillenniumALPHA Global Product is bought and the price at which it is Closed Out, adjusted to reflect interest payments (or swap, as it is commonly referred to) or any other charges where applicable (as described in Section 5). It is important to note that no physical delivery of either the MillenniumALPHA Global Product or the Underlying Reference Instrument takes place.

MillenniumALPHA Global Products are tailored either by Lot sizes or units and do not have the same standardized contract specifications as exchange traded contracts. The terms of MillenniumALPHA Global Products are based on the Financial Product Service Terms with MillenniumALPHA Global, which apply to your Trading Account(s) and your MillenniumALPHA Global Products.

All MillenniumALPHA Global Products traded are subject to Margin requirements, which means you (the Client) are required to pay to MillenniumALPHA Global at least the minimum required Margin.

Essentially, the amount of any realized profit or loss made on the MillenniumALPHA Global Product will be equal to the net of:

- the difference between the Transaction Price of the MillenniumALPHA Global Products when the Transaction is opened and the Transaction Price of the MillenniumALPHA Global Products when the Transaction is Closed Out, multiplied by the units or Lots traded and the standard volume size per (1.00 Lot);
- for all MillenniumALPHA Global Products except Commodity Derivatives, any Finance Charge Adjustment /

Finance Credit Adjustment on the position held overnight;

- any Transaction Fees payable in respect of the MillenniumALPHA Global Products and any other charges (for more information on Fees and Charges see Section 5 of this PDS).

Your Equity or Account Value will also be affected by other amounts you must pay in respect of your Account such as Finance Charges on your Account and conversion costs (for more information on costs, fees and charges in respect of your Account, see Section 5 of this PDS).

### **Types of Trading Accounts offered by MillenniumALPHA Global**

The Trading Accounts offered by MillenniumALPHA Global are traded on the various MillenniumALPHA Global Trading Platforms. The Prime MT Trader and Global Trader are online trading platforms offered to all Clients so that Clients can execute the MillenniumALPHA Global Products and the platform offers online reporting of Client statements.

The Equity Derivatives traded with the MillenniumALPHA Global dealing desk are usually Equity Derivatives traded on IRESS Trader unless the dealing desk have placed the trades on your behalf on Global Trader since not all clients have access to the IRESS Trader online trading platform (but remember that MillenniumALPHA Global always acts as principal when issuing its MillenniumALPHA Global Products to you). IRESS Trader does have online reporting of Client statements and these statements are usually generated by another system so these statements would therefore not be referenced with the online trading platform where the trades had been executed on.

### **Prime MT (Meta Trader) Trading Account**

These Trading Accounts are traded on the MillenniumALPHA Global Trading Platforms being Prime MT Trader which can be accessed via the online trading platform or via the dealing desk who will place the trades on the Prime MT Trader on your behalf.

The MillenniumALPHA Global Products offered on these Trading Accounts are the Spot FX Product and Spot Metal Products and Indices.

The trading conditions (for example the order types, minimum Lot sizes or units the Margin requirement and the daily Finance Charge Adjustment and Finance Credit Adjustment calculations and other features) for the financial products offered on the Prime MT Trader you can become familiar with and can be made available to you by downloading a demo account.

### **Global Trader Trading Accounts**

These Trading Accounts are traded on the MillenniumALPHA Global Trading Platforms being Global Trader which can be accessed via the online trading platform or via the dealing desk who will place the trades on the Global Trader on your behalf.

The MillenniumALPHA Global Products offered on these Trading Accounts are the Spot FX Product, Spot Metal Products, and Indices.

The trading conditions (for example the order types, minimum Lot sizes, the Margin requirement and the daily Finance Charge Adjustment and Finance Credit Adjustment calculations and other features) for the financial products offered on the Prime MT Trader you can become familiar with and can be made available to you by downloading a demonstration account.

### **MillenniumALPHA Global Trading Accounts**

These Trading Accounts are traded on the MillenniumALPHA Global Trading Platform being IRESS Trader which can be accessed via the dealing desk who will place the trades on the IRESS Trader on your behalf.

### **Types of MillenniumALPHA Global Products**

#### **Spot FX Product**

A Spot FX Product is an OTC agreement to exchange an amount in one currency for an amount in another currency at an Exchange Rate agreed on the day of the trade. When you trade FX Products, you trade a combination of two currencies (known as a currency pair). An FX Product is opened by buying a MillenniumALPHA Global Product which is based on either buying or selling the currency pair. The buying or selling is in reference to the buying or selling of the Base Currency (but remember no physical delivery ever takes place). For example if you were buying USDJPY, you would be buying USD by selling JPY, whereas if you were selling JPYUSD you would be selling JPY and buying USD.

Trades cannot be executed below set minimum trade sizes expressed as a portion of a Lot or unit and varies depending on the MillenniumALPHA Global Products traded on the various MillenniumALPHA Global Trading Platforms, for instance the minimum Lot size traded on the Prime MT Trader Trading Account is 0.01 Lot (step 0.01 Lot(s)), with 1 Lot being equivalent to 100,000 units of Base Currency.

FX Products traded cannot be settled by the physical or deliverable settlement of the currencies on their Value Date; rather, these financial products can be rolled or swapped indefinitely until you decide to Close Out the Transaction i.e. FX Products do not have set expiry dates and will remain open until Closed Out. Refer to Section 3.17 under "Rolling over or swapping" for more details and for the relating fees and charges refer to the Section 5 "Finance Charge Adjustment/ Finance Credit Adjustment".

### **Spot Metal Product**

A Spot Metal Product is an OTC agreement settled in cash by reference to buying or selling spot gold and silver at the Spot price agreed on the day traded against the US dollar.

A Metal Product is opened by either buying or selling by reference to the Spot metal traded against USD. For example if you were buying Gold spot, you would be buying gold by selling a reference amount of USD, whereas if you were selling Mini Silver spot, you would be selling silver by buying a reference amount of USD.

Trades cannot be executed below set minimum trade sizes expressed as a portion of a Lot or unit and varies depending on the MillenniumALPHA Global Products traded on the various MillenniumALPHA Global Trading Platforms, for instance the minimum contract size traded on the Prime Meta Trader Trading Account is 0.01 Lot (step 0.01 Lot) with 1 Lot of Gold being equivalent to 100 ounces and 1 Lot of mini silver being equivalent to 500 ounces.

Spot Metal Products traded cannot be settled by the physical or deliverable settlement of the spot metals on their Value Date, rather these products can be rolled or swapped indefinitely until you decide to Close Out the Transaction i.e. Spot Metal Products do not have set expiry dates and will remain open until Closed Out. Refer to Section 3.17 under "Rolling over or swapping" for more details and for the relating fees and charges refer to the Section 5 under "Finance Charge Adjustment/ Finance Credit Adjustment".

### **Indices / Index (cash)**

Trading in respect of movements in indices allows you to gain indirect exposure to a large number of different shares in one single transaction. They can also be used to take positions on the direction of a whole market without taking a view on the prospects for any particular company's shares.

Indices derive their price from the real time fluctuations in the value of the index which makes up the Underlying Reference Instrument for the MillenniumALPHA Global Product, as calculated by the relevant Exchange or index sponsor, as the case may be for each particular index or, if that is not available, MillenniumALPHA Global's determination of the index level.

Similar to Equity Derivatives, prices are normally only quoted for Indices and can only be traded during the open market hours of the relevant futures Exchange (or within any more limited hours set from time to time by MillenniumALPHA Global).

When trading on futures Exchange, it is important to remember that the current price of the underlying Futures Contracts will not normally be the same as the price of the underlying index.

Indices allow you to trade anticipated market trends rather than individual shares or other financial products. In addition, Margin requirements for Indices are typically lower than for Equity Derivatives.

Indices do not have set expiry dates and will remain open until Closed Out - refer to the Section 5 under "Finance Charge Adjustment / Finance Credit Adjustment" for the fees and charges relating to keeping the position open.

## **Section 3 – How to Trade**

### **Your Account**

You need to establish your Account by completing MillenniumALPHA Global's Account application form, which will be made available for you by contacting MillenniumALPHA Global directly or online via the website [www.oafx.eu](http://www.oafx.eu).

Within your Account you may have one or more Trading Accounts. A Trading Account is a sub-account of your Account which is required to be established for a specific method of dealing, such as for dealings on an online trading platform or for dealings in a particular product.

By opening a Trading Account, you agree to the Financial Product Service Terms. Your Financial Product Service

Terms set out the legal terms governing your Account and your dealing in MillenniumALPHA Global Products.

### **Opening MillenniumALPHA Global Products**

The particular terms of each MillenniumALPHA Global Product are agreed between you and MillenniumALPHA Global before entering into the Transaction.

Before you enter into MillenniumALPHA Global Products, MillenniumALPHA Global will require you to have sufficient Equity or Account Value (as defined in the Glossary in Section 7) to satisfy the Initial Margin requirement for the relevant Lots of MillenniumALPHA Global Products you wish to acquire.

All of the payments which you make to MillenniumALPHA Global are applied as Margin (and, if fees and charges are due, the actual Margin amount credited to your Trading Account will be an amount net of those fees and charges). The fees and charges for transacting MillenniumALPHA Global Products with MillenniumALPHA Global are set out in Section 5 of this PDS.

MillenniumALPHA Global Products are opened with the specifications for either buying (going long) or selling (going short). You go "long" when you buy MillenniumALPHA Global Products in the expectation that the price of the Underlying Reference Instrument to which the MillenniumALPHA Global Product is referable will increase, which would have the effect that the price of the MillenniumALPHA Global Product would increase. You go "short" when you buy MillenniumALPHA Global Products in the expectation that the price of the Underlying Reference Instrument to which the MillenniumALPHA Global Product is referable will decrease, which would have the effect that the MillenniumALPHA Global Product will decline. You do not "sell short" the actual MillenniumALPHA Global Product – it is the specifications of the MillenniumALPHA Global Product that have the long or short trading conditions.

(References to "selling" MillenniumALPHA Global Products are a short hand, common sense way of referring to buying MillenniumALPHA Global Products opposite to the one you have in order to Close it Out.)

### **Closing Out MillenniumALPHA Global Products**

MillenniumALPHA Global Products, except Commodity Derivatives, that have a set maturity date, do not expire or have a fixed term of existence, so they must be Closed Out by you or rolled into the next contract month prior to expiry otherwise the contract will be Closed Out by MillenniumALPHA Global.

MillenniumALPHA Global Products cannot be settled by physical or deliverable settlement of the Underlying Reference Instrument on the Value Date and will be continuously rolled or swapped until they are Closed Out.

If you wish to Close Out MillenniumALPHA Global Products before it expires and for the Open Positions to be 'netted out', you must select the Open Order with the view to closing the existing MillenniumALPHA Global Product position (or part of it) at the Transaction Price quoted.

Profits and/or losses are realized if positions have been Closed Out. Profits and/or losses are unrealized if only one side of the transaction has been completed i.e. it remains an Open Position.

The amount of any profit or loss you make on a MillenniumALPHA Global Product will be based on the difference between the amount paid for the MillenniumALPHA Global Product when it is issued (including fees and charges) and the amount credited to your Trading Account when the MillenniumALPHA Global Product is Closed Out (including allowance for any fees and charges).

Any profit or loss net of any fees and charges will be credited/ debited to your Equity or Account Value in the Account Currency selected - refer to Section 6 under "Account Currency".

At the time that the MillenniumALPHA Global Product is Closed Out, MillenniumALPHA Global will calculate the remaining payment rights and obligations. Since you are required to enter into MillenniumALPHA Global Products to Close Out the existing OTC Product, there may be a Transaction Fee on the MillenniumALPHA Global Product used to close the position – see Section 5 under "Costs, Fees and Charges".

In volatile markets the Transaction Price quoted to you may not be available by the time that you chose to accept the price offered and you may require another quote.

In order to provide the MillenniumALPHA Global Products to you in an efficient and low-cost manner, MillenniumALPHA Global has discretion in determining closing Transaction Prices.

In general, without limiting MillenniumALPHA Global's discretion, it should be expected that MillenniumALPHA Global will act reasonably and have regard to a range of relevant factors at the time, such as the value of the hedge contract taken by MillenniumALPHA Global to hedge its MillenniumALPHA Global Product issued to you, the closing price of the MillenniumALPHA Global Product and any foreign currency exchange rates which are relevant due to the denomination of your MillenniumALPHA Global Products or Trading Accounts. MillenniumALPHA Global also has the right to decide to make an adjustment in any circumstance if MillenniumALPHA Global considers an adjustment is appropriate. MillenniumALPHA Global has a discretion to determine the extent of the adjustment so as to place the parties substantially in the same economic position



they would have been in had the adjustment event not occurred.

MillenniumALPHA Global may elect to Close Out a position (without prior notice to you) if an adjustment event occurs and it determines that it is not reasonably practicable to make an adjustment.

Although there are no specific limits on MillenniumALPHA Global's discretion, MillenniumALPHA Global must comply with its obligations as a financial services licensee to act efficiently, honestly and fairly.

## Dealing

Quotes for Transaction Prices for dealing in MillenniumALPHA Global Products are indicative only and so are subject to the actual price at the time of execution of your Transaction. There is no assurance that the MillenniumALPHA Global Product will actually be dealt with at the indicative quote. You have a risk in price movement until you make the trade.

Quotes are normally only given and transactions made on MillenniumALPHA Global Products, excluding FX Products and Metals Products, during the open market hours of the relevant Exchange on which the Underlying Reference Instruments are trading. The trading hours of the relevant MillenniumALPHA Global Product relating to the type of MillenniumALPHA Global Trading Account are available on the MillenniumALPHA Global website by selecting the relevant MillenniumALPHA Global Trading Account and MillenniumALPHA Global Product or by contacting MillenniumALPHA Global.

Occasionally, MillenniumALPHA Global may, within its discretion, impose limited trading hours.

MillenniumALPHA Global may at any time in its discretion without prior notice impose limits on MillenniumALPHA Global Products in respect of particular Underlying Reference Instruments. Ordinarily MillenniumALPHA Global would only do this if the market for the particular Underlying Reference Instrument has become in-liquid or its trading status has been suspended or there is some significant disruption to the markets including trading facilities or the company has become externally administered.

You should be aware that the market prices and other market data which you view through MillenniumALPHA Global's online trading platforms or other facilities which you arrange yourself may not be current or may not exactly correspond with the Transaction Prices for MillenniumALPHA Global Products quoted or dealt by MillenniumALPHA Global.

If you access your Accounts and any online trading platform outside of the hours when live Orders may be accepted on the relevant market, you should be aware that the Orders may not be accepted until the relevant market is open to trading, by which time the current prices might have changed significantly.

Trades cannot be executed below set minimum trade sizes expressed as a portion of a Lot or unit for example 0.01 Lot. The minimum trade size available for each MillenniumALPHA Global Product traded on the MillenniumALPHA Global Trading Platforms is displayed when the Order is placed for the MillenniumALPHA Global Product selected on the order ticket on the MillenniumALPHA Global Trading Platforms or the information is available on the MillenniumALPHA Global website.

## Spread

When requesting a price quote for MillenniumALPHA Global Products you will notice that there is a Bid Price and an Ask Price (collectively 'the quotes') being a lower and higher price at which you can place your Order. The difference between the Bid Price and Ask Price is termed the Spread and it provides an indication of where you can buy MillenniumALPHA Global Products at, being the higher price, and where you can "sell" MillenniumALPHA Global Products at, being the lower price (see comment above, in Section 3 under "Opening MillenniumALPHA Global Products", on what is meant by "selling").

MillenniumALPHA Global makes hedge contracts at or around the same time as it issues the MillenniumALPHA Global Product to you by placing a corresponding hedge contract with its Hedge Counter party, being MillenniumALPHA Global. The Hedge Counter party may hedge directly into the market or it may make a market itself in its hedge contract made with MillenniumALPHA Global.

At any time, this Bid Price (sell price) represents the best current price at which you can sell MillenniumALPHA Global Products and the "offer" or Ask Price (buy price) represents the best current price at which you can buy MillenniumALPHA Global Products at that time in a Transaction with MillenniumALPHA Global, subject to price movements up to the time of actual execution.

The spread that you will be actually quoted is displayed on the order ticket when your Order is placed on your MillenniumALPHA Global Trading Platforms. Generally the spread quoted for the MillenniumALPHA Global Products on your MillenniumALPHA Global Trading Platforms are competitive, but you should be aware that MillenniumALPHA Global is responsible for setting the spread quoted for opening and closing MillenniumALPHA Global Products and **MillenniumALPHA Global does not act as your agent to find you the best prices.**

In order for you to break even the price that you exit your trade would need to be at a level that covers the

spread and any fees and charges.

### Valuation

During the term of MillenniumALPHA Global Products, MillenniumALPHA Global will determine the value of your Trading Account(s), based on the current value of the MillenniumALPHA Global Products in your Trading Account(s) defined as your Equity or Account Value (see the Glossary in Section 7). The current value of your MillenniumALPHA Global Product positions are ordinarily marked to market on a continuous basis, using the Current Market Price being the price available to MillenniumALPHA Global from MillenniumALPHA Globals and CFH System being its only Hedge Counter party (but remember that some MillenniumALPHA Global Products are not tradable during closed hours of the relevant underlying market's Exchange, so the value of them ordinarily will not be updated until the Exchange re-opens)

Your Equity or Account Value is used to assess your Free Margin or Margin Cover against current positions and any potential new positions you may wish to take. (For a further explanation refer to this Section 3 under "Payments and Client Moneys" subheading "How are Margin requirements and Free Margin or Margin Cover calculated?").

### On-line trading platforms

Your Trading Account may be accessible either via the MillenniumALPHA Global Trading Platforms, or by contacting MillenniumALPHA Global dealing desk. All MillenniumALPHA Global Products are hedged with MillenniumALPHA Global being the only Hedge Counter party (described in this Section 3 under "Your Counter party Risk on MillenniumALPHA Global" subheading "Hedge Counter party risk").

All of your MillenniumALPHA Global Products will use MillenniumALPHA Global Trading Platforms.

You must carefully read and follow the operational rules for the MillenniumALPHA Global Trading Platforms. The MillenniumALPHA Global Trading Platforms may impose special operating rules regarding:

- paying Margin (such as when payment is posted as effective);
- how Margins are calculated or
- how Orders are managed.

### **We strongly 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 features and conditions.

There is also Online Help menu or user guide available on the MillenniumALPHA Global Trading Platforms which has a wealth of information relating to the operation of MillenniumALPHA Global Trading Platforms or you can contact MillenniumALPHA Global on [cs@oafx.eu](mailto:cs@oafx.eu).

### Pricing Model

#### **Trading on IRESS Trader and Prime MT Trader:**

You may only trade in and out of MillenniumALPHA Global Products by using MillenniumALPHA Globals prices. MillenniumALPHA Global offers prices based on a modified market making pricing model where the price available to MillenniumALPHA Global is derived from MillenniumALPHA Global being its only Hedge Counterparty.

MillenniumALPHA Global makes hedge contracts at or around the same time as it issues the MillenniumALPHA Global Products to you by making a corresponding hedge contract with its Hedge Counter party (not by placing orders directly into the market). MillenniumALPHA Global does not itself seek to make a market or speculate. MillenniumALPHA Global's Hedge Counterparty, MillenniumALPHA Global, being a related entity of MillenniumALPHA Global, usually takes the other side of the transaction and it may choose not to place its hedge contracts directly in the market or it might hedge directly into the market.

MillenniumALPHA Global's Bid and Ask prices to you are based on the corresponding prices offered by the Hedge Counterparty to MillenniumALPHA Global, which generally (but is not limited to) is derived from the underlying markets. Generally the prices of MillenniumALPHA Global Products are set on the trading platform to give competitive pricing but you should be aware that MillenniumALPHA Global is responsible for setting the prices of opening and closing MillenniumALPHA Global Products and MillenniumALPHA Global does not act as your agent to find you the best prices.

#### **Trading on Global Trader:**

There are two models or ways of trading on Global Trader with MillenniumALPHA Global. The first is what is commonly known as, or commonly referred to as, the Direct Market Access ("DMA") model. The second is the Non Direct Market Access ("Non DMA").

New Clients of MillenniumALPHA Global that do not have a preference for their Trading Account will be provided with access to the Non DMA model. If you want to have DMA access an additional Trading Account will need to be established for the DMA trading which should usually be done when you set up your Account by contacting your adviser or MillenniumALPHA Global. You can also confirm on your Global Trader, through the Trading Conditions relating to each Trading Account, whether a DMA Trading Account has been established, by having the option of selecting the Trading Conditions relating to DMA (otherwise this would not be available).

### The DMA model

If a Client adopts the DMA model it means that all MillenniumALPHA Global Product quotes made by MillenniumALPHA Global are the same as the price or value of the Underlying Reference Instrument on the relevant Exchange subject to MillenniumALPHA Global's reliance on the Hedge Counterparty providing the same pricing service as the price or value of the Underlying Reference Instrument on the relevant Exchange i.e., ordinarily no additional spread is applied by the Hedge Counterparty so MillenniumALPHA Global gives virtually the same pricing outcome for you as though MillenniumALPHA Global made the direct hedge itself.

Please refer to our website, the Trading Conditions or contact us for further information about the features of the DMA model.

This is subject to the Client requesting live pricing which can be done via the Global Trader and will be subject to additional fees, which the Client agrees to on accepting the subscription agreement for the live pricing service, otherwise there will be delayed pricing.

### Confirmations of Transactions

If you transact in MillenniumALPHA Global Products, the confirmation of that Transaction, as required by the Corporations Act, may be obtained by accessing the daily statement online on the MillenniumALPHA Global Trading Platforms or emailed to you, which you can print.

Once you have entered an Order, the MillenniumALPHA Global Trading Platforms will report the main features of your Transaction in a "pop-up" window. This is a preliminary notification for your convenience and is not designed to be a confirmation as required by the Corporations Act.

If you have provided MillenniumALPHA Global with an e-mail or other electronic address, you consent to confirmations being sent electronically, including by way of the information posted to your Trading Account which is accessible on your MillenniumALPHA Global Trading Platforms. It is your obligation to review the confirmation immediately to ensure its accuracy and to report any discrepancies within 24 hours.

**If you do not use the client reference number when making your deposit, MillenniumALPHA Global may ask you to confirm your direction before we can credit your Account to enable you to enter into a Transaction.**

You are free to decide that it is more prudent for you to pay more than the required minimum Margin in respect of MillenniumALPHA Global Products to reduce your risks from leveraging or to avoid any future time limits for meeting later Margin requirements that you cannot meet. Also, you need to pay MillenniumALPHA Global before you trade (holding moneys in MillenniumALPHA Global Trust Account is not payment to MillenniumALPHA Global).

### Margin Call payments

Here are the key features of Margining which are explained further in this Section:

If some of the value of your Non-margin Product is used as Margin towards the Margin requirements of your MillenniumALPHA Global Products, then the value of your Non-margin Product can impact on the margining of your Account and all of your MillenniumALPHA Global Products are exposed to being Closed Out if you do not meet the Margin requirements that apply to your Account. Therefore it is important to understand Margin obligations as it applies to your entire Account, even though you initially fully pay for your Non-margin Product.

- Margin is your payment to MillenniumALPHA Global for the MillenniumALPHA Global Product to be issued to you. The amount of Margin you pay (after it is withdrawn from the MillenniumALPHA Global Trust Account, when permitted) is credited to your Trading Account.
- When you have Open Positions, you are also liable to meet all calls for Margin.

### Margin Call obligation

- You are **also liable to meet all calls for Margin** for your Trading Account. (Remember, your Non-margin Product which has a 100% Margin requirement will not generate its own later Margin call but if your Non-margin Product is being used as Margin then they could be exposed to being Closed Out if you do not meet Margin calls).
- There is **no limit as to when** you need to meet Margin calls, **how often** you may be called or the **amount of the Margin calls**.

- The **timing and amount of each Margin call for your Trading Account** will depend on movements in the market price of the Open Positions, the movements in the market price of the Non-margin Product if used as Margin and the changes to the Equity or Account Value.
- You have an obligation to meet the Margin call **even if MillenniumALPHA Global cannot successfully contact you.**
- You have a risk of all of your **MillenniumALPHA Global Products (including MillenniumALPHA Global Products) being Closed Out** if you do not meet the requirement to meet a Margin call.
- This obligation (to meet Margin calls) is **in addition to your obligation to maintain positive Free Margin or Margin Cover** for your Trading Account.

#### **Maintaining minimum Margin obligation**

- Apart from your Margin call obligations, it is **your obligation to monitor** the minimum amount of Margin required for your Account.
- It is **your obligation to maintain the minimum required Margin** at all times for so long as you have an Open Position in an MillenniumALPHA Global Margin Product, which means you must ensure that the Free Margin or Margin Cover amount is positive at all times.
- **MillenniumALPHA Global is not obliged to notify** (outside of MillenniumALPHA Global Trading Platforms) you about the amount of your Free Margin or Margin Cover, though we may do so by email, telephone call or otherwise, as a courtesy.
- You have a risk of your **MillenniumALPHA Global Products (including MillenniumALPHA Global Products) being Closed Out** if you do not have in your Account sufficient Margin credited to it, regardless of whether you have checked your Account's requirement for minimum Margin or whether you have tried to make a payment but it has not been credited to your Account.

#### **Margin policy**

MillenniumALPHA Global applies the following main Margin principles:

- Each Client is required to pay a minimum required amount of Margin before issuance of MillenniumALPHA Global Products.
- The minimum amount is determined by MillenniumALPHA Global based on a number of factors, including the market price of the underlying market, the Margin required to hedge the underlying market, the Margin which MillenniumALPHA Global is required to pay its Hedge Counterparty and MillenniumALPHA Global's risk assessment of the Client, and any unrealised loss on your Trading Account at any point in time.
- Each Client is required to pay Margin before issuance of the MillenniumALPHA Global Products in order to minimise credit risk to MillenniumALPHA Global and that therefore benefits all Clients.
- Each Client's Account is promptly adjusted for Margin requirements according to market movement so that no Client is intentionally benefited from other MillenniumALPHA Global Product Clients' Margin Product trading. This could occur if, for example, the Client's Margin requirements are not adjusted in line with market changes or the credit risk on the Client.
- Each Client is required to pay Margin calls promptly and that is managed within the requirements of the Margin policy, so that no Client receives any substantial benefit or waiver which imprudently jeopardize MillenniumALPHA Global and therefore increases the risks of other Clients to MillenniumALPHA Global.

#### **Paying Margin**

As explained earlier in this PDS, you must pay the Initial Margin before the MillenniumALPHA Global Product is issued to you. You must then maintain the minimum amount of Margin required by us. Separately, you must pay any further Margin when we require.

#### **Leverage Rates**

The full list of Leverage Rates for the various MillenniumALPHA Global Trading Platforms applicable to the MillenniumALPHA Global Product is available on the MillenniumALPHA Global Platforms or by contacting MillenniumALPHA Global.

#### **Trading on Prime MT Trader**

The Leverage Rates for the MillenniumALPHA Global Products traded on Prime MT Trader is set at the default being 1:100. This can also be expressed as percentage being 1%. Clients can request to have the Leverage Rates increased up to 1:500 which needs to be approved by MillenniumALPHA Global depending on the Clients Suitability considerations. The Leverage Rates for the MillenniumALPHA Global Products traded on IRESS Trader varies and is disclosed on your IRESS Trader under the margin table

#### **Trading on IRESS Trader**

The Leverage Rates for the MillenniumALPHA Global Products traded on IRESS Trader varies and is disclosed on your IRESS Trader under the margin table.

#### **Trading on Global Trader:**

The Leverage Rates for the MillenniumALPHA Global Products traded on Global Trader varies and

are disclosed on your Global Trader under the Trading Conditions.

#### **How are Margin requirements, Free Margin and Margin Cover calculated?**

MillenniumALPHA Global sets as detailed above the Leverage Rates used to calculate the amount of the Initial Margin requirements and, at any later time, may require more Margin to maintain the required amount of Free Margin or Margin Cover.

The Initial Margin requirements will be set by MillenniumALPHA Global and calculated by applying the Leverage Rates expressed as a percentage of the Contract Value of the relevant MillenniumALPHA Global Product at the time the MillenniumALPHA Global Product is established or a fixed dollar amount.

The Margin requirements if expressed as a percentage may be adjusted based on the Contract Value of the relevant MillenniumALPHA Global Product at the Current Market Price.

Ordinarily the Initial Margin requirements are calculated to cover the maximum expected movement in the market at any time but the Margin requirement will change when the market changes and so might not be sufficient in all circumstances. Owing to the volatility of the market, the amount of minimum Free Margin or Margin Cover required to maintain your Open Positions may change after a position has been opened. You need to ensure the Free Margin or Margin Cover is positive at all times.

Therefore you should be aware that you can reach the stage of not having enough Equity or Account Value (because the MillenniumALPHA Global Products including the MillenniumALPHA Global Products being marked to market) to the extent that your Account's Free Margin or Margin Cover is or becomes negative. In this case you have not satisfied your obligation to maintain the minimum Margin requirements. The change in valuation of your MillenniumALPHA Global Products by marking to market is automatic so your Free Margin or Margin Cover can become negative quickly, reflecting the rapid changes in the market values.

In order to return your Free Margin or Margin Cover to positive, i.e., to satisfy the minimum Margin requirements, you may:

- Close Out existing positions to reduce your Margin requirements; or
- pay additional funds as Margin for your Account; or
- a combination of the above.

If these actions taken are not sufficient to return your Free Margin or Margin Cover to positive then you risk all or some of your positions being automatically Closed Out.

Under the Financial Product Service Terms, your obligation to pay Margin arises from the time you have an Open Position. If the market moves so the Free Margin or Margin Cover is negative, or MillenniumALPHA Global increases the initial Margin requirement, you immediately owe the required Margin, regardless of if or when we contact you to pay more Margin.

Your obligation to maintain the minimum required margin i.e. ensuring the Free Margin or Margin Cover amount is positive remains at all times, whether or not we contact you and whether or not you log into your Account.

You will be required to provide the required Margin whether or not you receive a Margin call. In other words, you are responsible for monitoring your positions and providing the required level of Margin. You might receive notice about Margin requirements by email, SMS message or, when you access your Trading Account online, by pop-up messages on your screen, but you need to provide the Margin whether or not you receive notice.

The value of your MillenniumALPHA Global Product positions is ordinarily marked to market on a continuous basis, which automatically leads to corresponding changes in Free Margin or Margin Cover requirements for your Account. (Note of course that if the underlying market is not trading then the value might not change until the market re-opens and there might be a gap in prices/values at the time of re-opening.)

#### **Here is an example of calculating Free Margin or Margin Cover:**

You deposit \$8,000 and you pay MillenniumALPHA Global in order for your Trading Account to be credited with \$8,000. You enter into MillenniumALPHA Global Products and MillenniumALPHA Global requires you to deposit Initial Margin of \$7,000. A short time later, there are fluctuations in the market and your unrealised loss on your Account is \$2,000. As a result, your Free Margin or Margin Cover is negative \$1,000. In this case, you will need to make a Margin payment to MillenniumALPHA Global for \$1,000.

#### **Margin calls**

Apart from your obligation to maintain the required amount of Margin, you are also obliged to meet Margin calls by paying the required amount by the time stipulated in the Margin call.

- If no time is stipulated, payment is required within

24 hours of the Margin call being made. Sometimes, however (such as in unusually volatile market conditions or rapidly falling market prices), little or no time may be stipulated for paying a Margin call (that is, immediate payment is required) or more than one Margin call may be made on the one day including at weekends or outside of local business hours.

- If you do not answer the telephone on the number you give us, or you do not read the emailed Margin call which was sent to the email address you gave us, you remain liable to meet the Margin call. That is why you need to be contactable 24 hours a day, 7 days a week.

#### **Your Margin defaults**

If you do not ensure that you maintain the required level of Margin or meet your obligation to pay Margin calls (even those requiring immediate payment), all of your positions may be Closed Out and the resulting realised loss deducted from any proceeds. Any losses resulting from Closing Out your Open Positions will be debited to your Trading Account(s) and you may be required to provide additional funds to MillenniumALPHA Global to cover any shortfall. If you are trading through an online trading platform, you must read the rules of the platform particularly carefully. If you do not comply with your obligations, all of your Open Positions can be Closed Out automatically.

It is your responsibility to pay your Margin and meet Margin call payments on time and in cleared funds, so please keep in mind the possibility of delays in the banking and payments systems. If your payment is not credited by MillenniumALPHA Global by the time you are required to have the necessary Margin or meet the Margin call, you could lose some or all of your positions. MillenniumALPHA Global may but need not give you any grace period. You should maintain a prudent level of Margin and make payments in sufficient time to be credited to your Account. Please see "Margin risks" in Section 4.

Accounts can be funded by electronic funds transfer, cheque, B-Pay and credit/debit card for MillenniumALPHA Global Products traded on the Prime MT Trader Platform.

#### **Free Margin or Margin Cover**

If you (as our Client) have excess Margin, i.e., the Free Margin or Margin Cover amount is positive, then you may request payment of an amount not exceeding the Balance or Cash Balance on your Trading Account.

#### **MillenniumALPHA Global Product Order Types**

Different types of Orders are available on MillenniumALPHA Global Trading Platforms. You will be able to find out information about Orders that apply on the MillenniumALPHA Global Trading Platform when you log in. This information is also available in the "Help" section of the MillenniumALPHA Global Trading Platforms. The following are examples of Order types that may be available to you. If you have any questions, please contact MillenniumALPHA Global.

#### **Important notice about this Section**

When you submit a request to place one of the types of Orders described in this Section, MillenniumALPHA Global has discretion as to whether or not to accept and execute any such Order. We will, at our discretion, accept or reject placement of any Orders.

#### **Limit Order**

Limit Orders are commonly used to enter and exit a market at predefined levels. The MillenniumALPHA Global Trading Platforms does not allow you to place limit orders at a specified price within a certain number of points of the current price. The limit levels for each MillenniumALPHA Global Product is displayed on the MillenniumALPHA Global website.

- Limit Orders to buy are placed below the current price and are executed when the "ask" price hits or breaches the price level specified. If placed above the current price, the order is filled instantly at the best available price below or at the limit price.
- Limit Orders to sell are placed above the current price and are executed when the Bid price breaches the price level specified. If placed below the current price, the order is filled instantly at the best available price above or at the limit price.

When a limit Order is triggered, it is filled as soon as possible at the price obtainable on the market. Note that the price at which your Order is filled may differ from the price you set for the Order if the opening price of the market is better than your limit price. In the case of MillenniumALPHA Global Products, the Order will be filled if possible, and any remaining volume will remain in the market as a limit Order.

#### **Market Order**

A market order is an Order to buy or sell at the current price as soon as possible i.e., if the market is closed, the Order may not be entered into the market until the market opens.

#### **Stop-loss Order**

MillenniumALPHA Global may, in its discretion, accept an Order from you to enter or exit MillenniumALPHA Global Products if the price moves to or beyond a level specified by you. This is known as a "stop-loss Order". The

MillenniumALPHA Global Trading Platforms may not allow you to place Stop-loss Orders at a specified price within a certain number of points of the current price.

You would generally choose to place a Stop-loss Order to provide some risk protection or to enter a moving market. Stop-loss Orders are commonly used to exit positions and to protect investments in the event that the market moves against an Open Position.

For example, if your Open Position moves towards making a loss based on a level chosen by you, the Stop-loss Order would be triggered in order to try to close your Open Position or to open a position, depending on the Transaction you have.

- Stop-loss Orders to sell are placed below the current market level and your Stop-loss Order would be executed i.e., triggered if the market trades against you to a point that is beyond the stop-loss level specified by you (and accepted by us).

Conversely, Stop-loss Orders to buy are placed above the current market level and your Stop-loss Order would be executed i.e., triggered, if the market trades against you to a point that is beyond the stop-loss level specified by you (and accepted by us).

Note that Stop-loss Orders may not be executed at all and the execution of the Stop-loss Order is subject to market volatility and slippage.

All Stop-loss Orders are subject to agreement by us, so you cannot be assured that you will always be able to have a Stop-loss Order. While MillenniumALPHA Global has absolute discretion whether to accept a Stop-loss Order, it will generally try to do so, subject to market conditions and the reasonableness of your Stop-loss Order. Your Stop-loss Order may be unreasonable if, for example, the level you have specified is beyond the level allowed for Orders for the underlying currency and metals market.

Even if we accept your Stop-loss Order, market conditions may move against you in a way that prevents execution of your Stop-loss Order. For example, in volatile markets, our quoted prices might gap through your Stop-loss Order level, so that the closing level of quotes may be beyond the exact level specified by you. A gap in market prices reflects the market for the currencies and metals market, so can occur for any reason, without any apparent reason or at any time. Additionally, it may be that not all of the Stop-loss Order can be fulfilled because the underlying market does not have enough buyers and sellers in the volume of the underlying currencies or metals market to allow MillenniumALPHA Global to hedge its transactions which it makes in order to completely fulfil your Stop-loss Order. If the opening price of the underlying currencies and metals market is beyond the level of your Stop-loss Order, your Order will be filled at the opening level, not at your Stop-loss Order level.

### **Trailing Stop Order**

A sell trailing stop Order sets the stop price below the market price with an attached trailing amount. As the market price rises, the stop price rises by the trail amount, but if the stock price falls, the stop price does not change, and a market order is submitted when the stop price is hit. This technique is designed to allow an investor to specify a limit on the maximum possible loss, without setting a limit on the maximum possible gain. "Buy" trailing stop Orders are the mirror image of sell trailing stop Orders, and are most appropriate for use in falling markets.

### **Risk Limits**

MillenniumALPHA Global seeks to have the discretion and automatically closing positions at the current market value being the value available to MillenniumALPHA Global from MillenniumALPHA Global and CFH system being its Hedge Counter party, this is also sometimes referred to as the stop out level and the stop out level depends on the MillenniumALPHA Global Trading Platform. This is an internal process only and not a contractual term or assurance to you that any internal risk limit will avoid or minimize your losses on your Account. You should not rely on this as a loss limiting tool for your Account.

MillenniumALPHA Global may, in its discretion, choose to impose a lower stop out level from time to time and later to vary that stop out level. This is an internal risk management decision of MillenniumALPHA Global.

You should always set your own risk limits and monitor your positions.

### **Trading on Prime MT Trader**

The automatic closing of positions will occur if the Margin Level is less than 70%

### **Market Conduct**

All market participants (including MillenniumALPHA Global) have a legal obligation to ensure that the financial markets they participate in are fair, orderly and transparent. MillenniumALPHA Global Clients should be aware that some practices in placing Orders can constitute market manipulation or creating a false market which is conduct prohibited under the Corporations Act. It is the Client's responsibility to be aware of unacceptable

market practices and the legal implications. The Client may be liable for penalties to regulators such as ASIC or be liable to MillenniumALPHA Global for costs to MillenniumALPHA Global arising out of those trading practices of the Client which lead to the Client, MillenniumALPHA Global or any other person suffering loss or penalty. Additionally, Clients should be aware that MillenniumALPHA Global is entitled to refuse to accept an Order if MillenniumALPHA Global believes that the Order (if executed) might constitute market manipulation or create a false market (or any other conduct prohibited under the Corporations Act or other laws or rules).

### **Rolling over or swapping**

FX Products and Metals Products that are "rolled over" or "swapped" (depending on which term applies to your particular FX Transaction – see the MillenniumALPHA Global Trading Platform which you have chosen). If your position is rolled (or "swapped") to the next Value Date, you will receive a benefit or bear a cost on your original traded amount.

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.

For example:

If you have a bought AUD/USD position (i.e. you have bought the Australian Dollar against the US Dollar) and interest rates are higher in Australia than in the USA, your Transaction will receive a benefit i.e. the interest differential between the two currencies if you do not Close Out the position before the settlement time. Your Transaction will receive the interest rate differential whilst the position remains open for holding the higher yielding currency.

However, if you have a bought AUD/USD position and the USA interest rate is higher than the Australian interest rate, your Transaction will bear a cost i.e. the interest differential between the two currencies if you do not Close Out the position before the settlement time. Your Transaction will be charged the interest rate differential whilst the position remains open for holding the lower yielding currency.

The benefit or cost can either be directly debited or credited to your Trading Account balance as a Finance Charge adjustment / Finance Credit Adjustment or reflected in the price at which the open position is rolled forward i.e. it is included in the price (or rate at which the contract is rolled).

### **Trading on Prime MT Trader:**

MillenniumALPHA Global in respect of open FX Products and Metals Products held Overnight will incur a Finance Charge Adjustment or Finance Credit Adjustment, refer the Section 5 under "Finance Charge Adjustment / Finance Credit Adjustment".

### **Section 4 – Significant Risks**

Using MillenniumALPHA Global Products involves a number of significant risks. You should seek independent advice and consider carefully whether MillenniumALPHA Global Products are appropriate for you given your experience, financial objectives, needs and circumstances.

#### **You should consider these key risks involved in MillenniumALPHA Global Products:**

##### **Loss from Leverage:**

- MillenniumALPHA Global Products have leverage which can lead to large losses as well as large gains. The high degree of leverage in MillenniumALPHA Global Products can work against you as well as for you.
- The leveraging in MillenniumALPHA Global Product gives a moderate to high risk of a loss larger than the amounts you pay MillenniumALPHA Global as Margin. It can also cause volatile fluctuations in the Margin requirements.

##### **MillenniumALPHA Global Products may have unlimited loss:**

- There is a moderate to high risk of your potential loss being unlimited if the market moves against you.
- You can minimise the risk of losses by monitoring your Open Positions and Closing Out the positions before losses arise.

##### **Client moneys in limited circumstances may be applied to pay for your obligations:**

- The money which you pay into the MillenniumALPHA Global Trust Account may be withdrawn in limited circumstances (but not to pay for MillenniumALPHA Global's hedging of its contracts with retail clients).
- Moneys withdrawn from the MillenniumALPHA Global Trust Account are either to pay MillenniumALPHA Global (when permitted) or to pay you. Moneys withdrawn to pay MillenniumALPHA Global (when permitted) are MillenniumALPHA Global's moneys (and are not held for you).



- Once your moneys are withdrawn from the MillenniumALPHA Global Trust Account to pay MillenniumALPHA Global (when permitted) you become an unsecured creditor of MillenniumALPHA Global to the extent of any credit balance you have with MillenniumALPHA Global and you lose all of the protections you had when your client moneys are in the MillenniumALPHA Global Trust Account.

**Margin risk:**

- You must be able to pay to MillenniumALPHA Global the amount of required Margin as and when required, otherwise all of your Transactions (including MillenniumALPHA Global Products) may be Closed Out without notice to you. Margin requirements are highly likely to change continuously, in line with market movements in the underlying currencies and metals market.

- You should consider there is a high risk of Margin requirements changing and changing at times very rapidly. There is a moderate to high risk that if the market value of the underlying currencies and metals market moves rapidly against you, you will be required to pay more Margin on little or no notice. If you do not meet those requirements, your positions (**including MillenniumALPHA Global Products**) can be automatically Closed Out.

- Although your Non-margin Product will not generate additional Margin risk after they are paid in full, if your Non-margin Product is used as Margin towards the Margin requirements of your MillenniumALPHA Global Products, then the value of your Non-margin Product can impact on the margining of your Account and they will be liable to being Closed Out if you do not meet your Margin requirements on all of your Account.

- You can minimize your risk of losing your positions (including MillenniumALPHA Global Products) after failing to meet Margin requirements by carefully selecting the type and amount of MillenniumALPHA Global Products to suit your needs, monitoring the positions, maintaining a prudent level of cash balance in your Account and providing sufficient Margin within the time required by MillenniumALPHA Global.

**Foreign exchange risk:**

- Foreign currency conversions required for your Account (see Section 6 under "Account Currency" for a further description) can expose you to foreign exchange risks between the time the Transaction is entered into and the time the relevant conversion of currencies occurs. Foreign exchange markets can change rapidly. This exposes you to adverse changes in the value of your Trading Account which can be large (depending on foreign exchange rates) and volatile. This will directly affect the value of MillenniumALPHA Global Products positions.

- You can minimize this risk by selecting MillenniumALPHA Global Products with foreign exchange exposure that you are prepared to incur and to monitor.

**Counter party risk on MillenniumALPHA Global:**

- You have the risk that MillenniumALPHA Global will not meet its obligations to you under the MillenniumALPHA Global Products.

- MillenniumALPHA Global Products are not exchange-traded so you need to consider the credit and related risks you have on MillenniumALPHA Global.

- MillenniumALPHA Global believes that your counterparty risk on MillenniumALPHA Global is relatively low, especially due to its Margin policy and its risk management; however, the potential adverse outcome of this risk is very significant to you since, if it occurs, you could lose all or some of your investment.

- You can minimize your counter party risk on MillenniumALPHA Global by limiting the amount you pay MillenniumALPHA Global, trading prudently and requesting payment to you of any surplus in your Account which is not required for prudent Margin management, however this may increase your Margin risk resulting in all of your positions to be Closed Out. Please see Section 3 under "Your Counter party Risk on MillenniumALPHA Global".

**Other Significant Risks**

You should consider these significant risks involved in MillenniumALPHA Global Products:

**Market risk:**

OTC trading is highly speculative and volatile. There is a high risk that market prices will move such that the value of your MillenniumALPHA Global Products can be significantly less than the amount you invested in them.

There is no guarantee or assurance that you will make profits, or not make losses, or that unrealized profits or losses will remain unchanged.

You can reduce your risk by understanding the market relevant to your MillenniumALPHA Global Products, monitoring your MillenniumALPHA Global Products positions carefully and closing your Open Positions before unacceptable losses arise.

**Orders and gapping:**

It may become difficult or impossible for you to Close Out a position. This can, for example, happen when there is a significant change in the MillenniumALPHA Global Products value over a short period. There is a moderate to high risk of this occurring as a result of market volatility.

MillenniumALPHA Global's ability to Close Out MillenniumALPHA Global Products depends on the Current Market Price.

Stop-loss Orders may not always be filled and, even if placed, may not limit your losses to the amount specified in the Order, since they are not guarantees that there will be no loss.

You should consider placing stop-loss or other Orders that limit your losses but also closely monitor your Account and the relevant market in case the Stop-loss Order is not fully filled or filled at all and you need to take further action to limit your losses. For further information, see Section 3 under "MillenniumALPHA Global Product Order Types" subheading "Stop-loss Orders".

**Market disruptions:**

A market disruption may mean that you may be unable to deal in MillenniumALPHA Global Products when desired, and you may suffer a loss as a result of that.

**Not a regulated market:**

The MillenniumALPHA Global Products offered by MillenniumALPHA Global are over the counter products and so are not covered by the rules for an exchange.

Over-the-counter financial products, such as MillenniumALPHA Global Products, by their nature do not have an established liquid market with numerous participants. If you want to exit your MillenniumALPHA Global Products, you rely on MillenniumALPHA Global's ability to Close Out at the time you wish, which might not match the underlying market's liquidity or price. You can reduce your risk by carefully reading this PDS, the Financial Product Service Terms and taking independent advice on the legal and financial aspects relevant to you.

**Online trading platform:**

You are responsible for the means by which you access the online trading platform or your other contact with MillenniumALPHA Global. If you are unable to access the online trading platform, it may mean that you are unable to trade in MillenniumALPHA Global Products (including closing them out) or you might not be aware of the current Margin requirements and so you may suffer loss as a result.

MillenniumALPHA Global may also suspend the operation of the online trading platform or any part of it, without prior notice to you. Although this is considered to be a low risk since it would usually only happen in unforeseen and extreme market situations, MillenniumALPHA Global has discretion in determining when to do this. If the online trading platform is suspended, you may have difficulty contacting MillenniumALPHA Global, you may not be able to contact MillenniumALPHA Global at all, or your Orders may not be able to be executed at prices quoted to you.

There is a moderate to high risk that MillenniumALPHA Global will impose volume limits on Client accounts or filters on trading, which could prevent or delay execution of your Orders, at your risk. You have no recourse against MillenniumALPHA Global in relation to the availability or otherwise of the online trading platforms, nor for their errors and software. Please review the terms and any guidance material for any particular online trading platform.

**Conflicts:**

Trading with MillenniumALPHA Global for its MillenniumALPHA Global Products carries an automatic risk of actual conflicts of interests because MillenniumALPHA Global is acting as principal in its MillenniumALPHA Global Products with you and MillenniumALPHA Global sets the price of the MillenniumALPHA Global Products. Also, MillenniumALPHA Global's only Hedge Counter party is its related party, MillenniumALPHA Global.

The policy used by MillenniumALPHA Global is that as principal it issues the MillenniumALPHA Global Products to you based on the price it gives you, not by acting as broker to you. MillenniumALPHA Global obtains its price by dealing with its Hedge Counter party. While MillenniumALPHA Global does not seek to make a market, its only Hedge Counter party may do so.

You can reduce the risks to you of unfavourable pricing or opaque pricing (meaning it is unclear how it relates to the underlying market) by monitoring the underlying market and MillenniumALPHA Global's pricing compared with other similar OTC contracts which have comparable terms.

**Valuations:**

The MillenniumALPHA Global Products are valued by MillenniumALPHA Global.

While there are no specific limits on MillenniumALPHA Global's discretion, MillenniumALPHA Global must

comply with its obligations as a financial services licensee to act efficiently, honestly and fairly. You therefore have the risk of relying on whatever value is determined by MillenniumALPHA Global in the circumstances permitted by the Financial Product Service Terms.

**Operational risk:**

There is always operational risk in MillenniumALPHA Global Products. For example, disruptions in operational processes such as communications, computers and computer networks, or external events may lead to delays in the execution and settlement of a transaction.

We are not liable to you if losses arise owing to delays, errors or failures in operational processes outside our control, in particular, due to faults in the online trading platform or in the provision of data by third parties.

**Section 5 – Costs, Fees and Charges**

**Costs, Fees and Charges**

MillenniumALPHA Global derives a financial benefit by entering into other transactions with other persons at different rates from those charged to the Client.

All costs, fees and charges are charged in the Account Currency selected, unless otherwise specified.

Details of the costs, fees and charges which have been charged are included in your statement. This is made available as an online report that can be accessed via your MillenniumALPHA Global Trading Platforms or emailed or mailed to you that you can access and print upon demand.

MillenniumALPHA Global accepts credit/debit card payments, for MillenniumALPHA Global Products traded on the Prime MT Trader Platform, made by Visa and MasterCard credit/debit cards. Please note that making deposits via credit/debit card attracts a credit/debit card service fee of 3%.

If there is a charge back on your Account, you may be responsible for covering any reversed payments and charge back fees, amounting to a maximum of AUD\$25 per transaction.

Please note that your bank may treat payments by credit card as a cash advance, which may incur additional fees, so you should contact your bank to confirm if this applies.

**Product Transaction Fees**

MillenniumALPHA Global may charge a Transaction Fee (which may be described as “commission” on the platform) on each MillenniumALPHA Global Product that is executed. Our rates vary depending on the type and level of service required, and the frequency and size of Transactions.

There are different types of Transaction Fee charging models that can be applied depending on the individual MillenniumALPHA Global Product.

1. Percentage per trade The greater of:  
the amount that is calculated by multiplying the Transaction Fee rate by the Contract Value of the Global MillenniumALPHA Global Product; and  
a minimum Transaction Fee or a minimum ticket Transaction Fee depending on the ticket size.
2. Fee per contract The greater of:  
the amount that is calculated by multiplying the amount of MillenniumALPHA Global Products traded by the individual charge per contract; and  
a minimum Transaction Fee or a minimum ticket Transaction Fee depending on the ticket size.

The Transaction Fee that you will be actually charged is disclosed on your statement.

The fee accrues immediately upon execution of the Transaction, i.e., when you Open or Close the MillenniumALPHA Global Product. The Transaction Fee will either be reflected in the execution price as an additional component to the spread pricing or separately, i.e., not included in the spread pricing. Refer to Section 3.8 relating to Pricing Models.

Please remember that because you are required to trade a MillenniumALPHA Global Product to Close Out the existing MillenniumALPHA Global Product Open Position there may be a Transaction Fee on the MillenniumALPHA Global Product used to close the position.

**Margin**

The Margin amount that you would be required to pay is determined by MillenniumALPHA Global depending on the specific contract details. Since there is a large variety of potential Margin amounts and they can change at any time, this is made available on the MillenniumALPHA Global Trading Platforms or you can contact MillenniumALPHA Global for an indication of the Margin that will be charged for the particular MillenniumALPHA Global Products.

Please also see the worked examples which follow in this Section for how the Margin works.

The total amount of dollar Margin Requirement utilised is displayed for all the Open Positions transacted on the MillenniumALPHA Global Trading Platforms.

**Finance Charge Adjustment / Finance Credit Adjustment**

**Finance Charge Adjustment / Finance Credit Adjustment on Long / Short MillenniumALPHA Global FX Products and Metals Products**

### Trading on Prime MT Trader

MillenniumALPHA Global in respect of open FX Products and Metals Products held Overnight will incur a Finance Charge Adjustment or Finance Credit Adjustment.

The calculation for an overnight Finance Charge Adjustment / Finance Credit Adjustment for each day that a long or short MillenniumALPHA Global FX Product and Metals Product is held Overnight is as follows:

$$F = S * L * P$$

F = Daily Finance Charge Adjustment (if negative) / Finance Credit Adjustment (if positive)

S = Swap Rate (positive or negative) for 1 day L = Number of lots

P = Pip Value in Account Currency based upon 1 Lot Examples:

If you hold a short 200,000 EUR/USD position Overnight and the Account Currency is USD, then the Daily Finance Charge is -2.80 USD = -0.14 (Swap Rate) \* 2 (Lots) \* 10 USD (Pip Value)

If you hold a long 100,000 USD/JPY position Overnight and the Account Currency is USD, then the Daily Finance Charge is -0.39 USD = -0.03 (Swap Rate) \* 1 (Lots) \* 13 USD (Pip Value) \* -1

### Finance Charge Adjustment / Finance Credit Adjustment on long/ short Equity Derivatives and Indices

#### Trading on Global Trader

If you hold a long position Overnight you will pay a Finance Charge Adjustment or if you hold a short position Overnight you will receive a Finance Credit Adjustment on the Equity Derivative and indices Open Positions held overnight. The calculation for an overnight Finance Charge Adjustment / Finance Credit Adjustment for each day that a long or short Equity Derivative and Indices is held overnight is as follows:

$$F = CV \times (FR/100) / 360$$

Where:

F = Daily Finance Charge Adjustment (if negative) / Finance Credit Adjustment (if positive)

CV is Contract Value of the Equity Derivative and Indices Open Positions, at the time the Equity Derivative is established.

FR is the Finance Rate as defined in the Global Trader Glossary in Section 7.

A Finance Credit Adjustment will be credited for the short Equity Derivative and Index position held overnight to your Account when the Finance Rate is positive. A Finance Charge will be debited for the long Equity Derivative and Index position held overnight to your Account when the Finance Rate is negative.

By way of example, using the calculation for a long Equity Derivative held overnight for a USD share whose Finance Rate is -5.61%.  $F = \$10,000 \times (-5.61\%/100) / 360 = -\$1.56$

Where:

CV is \$10,000

FR is -5.61% p.a.

No Finance Charge/Finance Credit is paid or received if you open and close an Equity Derivative and Index position on the same day.

### Finance Charge Adjustment / Finance Credit Adjustment on long/ short Equity Derivatives

#### Trading on IRESS Trade

If you hold a long position Overnight you will pay a Finance Charge Adjustment or if you hold a short position Overnight you will receive a Finance Credit Adjustment on the Equity Derivative Open Positions held overnight. The calculation for an overnight Finance Charge Adjustment / Finance Credit Adjustment for each day that a long or short Equity Derivative is held overnight is as follows:

$$F = CV \times (FR/100) / 360$$

Where:

F = Daily Finance Charge Adjustment (if negative) / Finance Credit Adjustment (if positive)

CV is Contract Value of the Equity Derivative at the Closing Price.

FR is the Finance Rate as defined in the IRESS Trader Glossary in Section 7.

A Finance Credit Adjustment will be credited for the short Equity Derivative position held overnight to your Account when the Finance Rate is positive. A Finance Charge will be debited for the long Equity Derivative position held overnight to your Account when the Finance Rate is negative.

**Finance Charge Adjustment on Trading Account Balance or Cash Balance**

**Trading on Prime MT Trader**

MillenniumALPHA Global does not pay any Finance Credit Adjustment earned on your Trading Account on positive Balances.

**Trading on IRESS Trader and Global Trader**

MillenniumALPHA Global may choose to pay a Finance Credit Adjustment earned on your Trading Account on positive Cash Balance.

A Finance Charge Adjustment may be debited to your Trading Account, if the Balance or Cash Balance relating to your Trading Account is negative.

The Finance Charge Adjustment or Finance Credit Adjustment applied to your Trading Accounts will be calculated using the Base Rate (see definition in the Glossary) applied to the negative Balance or Cash Balance amount.

For example, if the Balance or Cash Balance amount is negative A\$30,000 for 10 days and assuming the Base Rate is 7.5% p.a., then the Finance Charge will be calculated as  $AUD\$30,000 \times (7.5\%/365 \text{ days} \times 10 \text{ days}) = A\$61.64$  or A\$6.164 per day.

An additional Finance Charge Adjustment may be imposed if you have not paid MillenniumALPHA Global any amount you are required to pay, such as an overdue payment to close an Account.

MillenniumALPHA Global may at any time without prior notice apply different Base Rates.

**Cost of conversion**

You will incur a conversion cost when converting to your Account Currency. This occurs each time there is a conversion from a Transaction denominated in a currency different from the Account Currency being Australian dollars. The conversion cost charged is up to a maximum of 100 basis points (1.00%) of the Transaction's full face value being converted and is adjusted in the realized profit or loss.

**External Fees, Taxes and Charges**

You are responsible for any stamp duty, transaction duty, GST or similar goods and services or value added tax payable in respect of trading in Transactions (except for any income tax payable by MillenniumALPHA Global). Bank charges and fees imposed on MillenniumALPHA Global to clear your funds or in respect of your payments will also be charged to your Account.

The Financial Product Service Terms may allow MillenniumALPHA Global to impose other fees or charges from time to time which do not relate directly to Transactions (and so are not costs, fees or charges for acquiring or later dealing in the MillenniumALPHA Global Product itself). For example, you may be required to pay royalty or similar charges set by data providers for your use of information feeds or for online transaction services. MillenniumALPHA Global may debit these amounts to your Trading Account.

**MillenniumALPHA Global Product Trading Examples**

Here are some examples to illustrate the variables for a typical Transaction and how they affect the calculations. The variables of your actual Transactions will, of course, differ, so please check with MillenniumALPHA Global before entering into your Transaction.

The fees, charges and Leverage Rate Rates used in this example are hypothetical only and you should either contact MillenniumALPHA Global or view the website prior to trading for all relevant and current information.

**Example of Spot FX Product**

- the Trading Account base currency selected is United States dollars;
- no brokerage, commission or Transaction Fee is charged;
- the Leverage Rate is 1:100 for Spot FX Products i.e. Initial Margin is set at 1% of the Spot FX product; and
- 1 Lot is equivalent to 100,000.

**Example 3: Buying USD/JPY traded on Prime MT Trader**

**Opening the position**

You decide to go long on the US Dollar against the Japanese Yen, and ask for a quote for 5 lots, the equivalent of USD500,000. We quote you 73.41/73.43 and you buy 5 lots at 73.43.

### Finance Charge Adjustment

While the position remains open, for example if the applicable Swap Rate might be negative 0.03 points for 'long' positions and the Point Value for 1 Lot is \$13.09, then the Finance Charge Adjustment for a particular day would be \$1.96.

### Closing the position

Later, USD/JPY has risen to 76.87/76.89, and you take your profit by selling 5 lots at 76.87. Your gross profit on the trade is calculated as follows:

Closing transaction:	USD500,000 (5 Lots)
x 76.87 =	¥38,435,000
Opening transaction:	USD500,000 (5 Lots)
x 73.43 =	¥36,715,000
Gross profit on trade:	= ¥1,720,000
	equivalent to \$22,375.44

### Calculating the overall result

To calculate the overall or net profit, you also have to take account of the Finance Charge Adjustment. In this example, you might have rolled the position for 20 days, charging a total a Finance Charge Adjustment debit of \$39.20.

Gross profit on trade:	\$22,375.44
Finance Charge Adjustment:	(\$ 39.20)
Net profit:	\$ 22,336.24

### Buying spot gold traded on Prime MT Trader:

#### This example assumes that:

- the Trading Account base currency selected is United States dollars
- no brokerage, commission or Transaction Fee is charged
- the Standard Trading Account Leverage Rate is 1:100 for a Spot Metal Product i.e. Initial Margin is set at 1% of the Contract Value;
- 1 Lot of gold is equivalent to 100 ounces; and  
the price of the MillenniumALPHA Global Spot Metal Product moves in line with the market price of the spot gold.

### Opening the position

You consider that gold is undervalued and wish to speculate the price will go higher, you decide to buy gold, and ask for a quote for 1 lots, the equivalent of 100 ounces. We quote you \$1,724.65/1725.15 and you buy 1 lots at 1725.15.

### Initial Margin

The Initial Margin required to open your position was  $1\% \times \$1,725.15 \times 100 = \$1,725.15$

### Finance Charge Adjustment

While the position remains open, for example the daily swap is \$5.70.

### Closing the position

Later, gold has risen to 1,750.00/1,750.05, and you take your profit by selling 1 Lot at 1,730.

Your gross profit on the trade is calculated as follows:

Closing level:	\$1,750.00
Opening level:	\$1,725.15
Difference:	\$24.85
Gross profit on Transaction:	$\$4.85 \times 100 = \$2,485$

### Calculating the overall result

To calculate the overall or net profit, you also have to take account the Finance Charge Adjustment. In this example, you might have rolled the position for 10 days, charging a total a Finance Charge Adjustment of \$57:

Gross profit on trade:	\$2,485.00
Finance Charge Adjustment:	(\$ 57.00)

Net profit: \$2,428.00

**Example 6 - Long Index traded on Global Trader:**

Scenario 1:

A Client believes that the market will rally in the short term and looks to benefit by buying an Index over the S&P / ASX 200™ index. Assume the Leverage Rate on the Index is 5% and that the Transaction Fee for buying this is \$12.50 per trade. The 'tick' size of the Index is \$1 per point of the index.

The Client pays \$5,000 for their Account and buys 15 S&P / ASX 200™ Index at 4,790.

On day 3 the level of the index falls to 4,650. The Margin requirement at this time is \$3,487.50. The Client's Account Value is \$2,887.50 so the Client is on Margin call.

On day 5 the Client pays over a further \$5,000 to the Account. Once the funds are received and credited, the Client is off margin call.

On day 7 the S&P / ASX 200™ Index falls to a level of 4,590.

On day 10 the S&P / ASX 200™ Index falls to a level of 4,540 and the Client closes the trade at this level.

**Example 7: Short Commodity Derivative traded on Global Trader:**

In the following example you think that oil is currently overpriced and expect the price to fall in the short term. You buy a Commodity Derivative for selling 100 Barrels of US Crude Oil to benefit from the price fall you expect to see in the market.

This example assumes that:

- the Trading Account Currency is United States dollars;
- all figures are quoted in United States dollars;
- no brokerage, commission or Transaction Fee is charged;
- no Finance Charge Adjustment is charged as the price quotes take into consideration the expiry date;
- the Initial Margin is 10% of the Commodity Derivative Contract Value;
- the Commodity Derivative is executed in the United States dollar denominated Trading Account;
- there is no Account Finance Charge credit to be applied to the Account;
- a stop-loss Order is placed to attempt to minimise potential losses on the Transaction; and
- the price of the US Crude Oil Commodity Derivative moves in line with the market price of the barrel of US

Crude Oil.

**Scenario 1:** You sell 100 Barrels of US Crude Oil Commodity Derivative. You pay additional funds to meet a Margin Cover shortfall that is experienced during the life of the Transaction. The Commodity Derivative is Closed Out at your requested stop-loss level.

In this scenario 1, you have entered a position to sell US Crude Oil Commodity Derivative when the price of US Crude Oil is at US\$80 a barrel. Your position is closed when your stop-loss Order is triggered at US\$85 a barrel. You make a loss on the Transaction of US\$500. This represents a loss as a percentage of the Initial Margin required to establish the position of 63%.

**Scenario 2:** In this scenario 2 you do not pay additional funds to cover the Margin requirement and so your position is Closed Out by MillenniumALPHA Global.

In this scenario 2, you have entered a position to sell US Crude Oil Commodity Derivative when the price of US Crude Oil is at US\$80 a barrel. Your position is Closed Out because you did not maintain Margin Cover when the price of US Crude oil rose to US\$95 a barrel. You make a loss on the Transaction of US\$1,500 plus month end Account Finance Charges debit of \$1.68, resulting in a net loss of US\$1,501.68. This represents a loss as a percentage of the Initial Margin required to establish the position of 188%. Therefore, the total loss on this Transaction is more than the amount initially invested to establish the position.

**Notes to all examples in this PDS:**

1. The above examples are to illustrate the impact of key variables on the outcome of a Transaction. They are not forecasts or projections of any particular Transaction.
2. The worked examples illustrate in dollar terms how trading incurs fees (including fees charged

by MillenniumALPHA Global), charges or other payments. These examples are not intended to be exhaustive and document every trading strategy.

3. The examples use simplifying assumptions by not taking into account an investor's tax rate or overall tax position, potential changes in interest rates charged to or earned on the Trading Account or the time value of money. While these variables will undoubtedly change the outcome of a Transaction, they are normal market variables which cannot now be predicted and so must be taken into consideration by a potential investor in Transactions.
4. There is no GST payable on the Transaction Fee or Finance Charge Adjustment.
5. Margin requirements, interest rates and external charges may change at any time and are hypothetical only.

## Section 6 – General Information

### Account Currency

Your Account Currency is chosen as part of the Account opening process. Account Currency. The Account Currencies which are available can be chosen when the Accounts are established through the personal "Traders Room" or are displayed on the website.

If you instruct MillenniumALPHA Global to effect a Transaction denominated in a currency different from the denomination of your Account currency, MillenniumALPHA Global will convert the currency value of your Transaction into the Account Currency.

The foreign currency conversions can expose you to foreign exchange risks between the time the Transaction is entered into and the time the relevant conversion of currencies occurs.

Foreign exchange markets can change rapidly. Exchange rates depend on a number of factors including for example, interest rates, currency supply and demand and actions of government. In some situations, exchanges of currency may be suspended. These will impact on the rates of conversion set by MillenniumALPHA Global.

### Discretion

MillenniumALPHA Global has discretion under the Financial Product Service Terms which can affect your Orders and positions. You do not have any power to direct how we exercise our discretion.

When exercising our discretion we will comply with our legal obligations as the holder of an Australian Financial Services Licence. We will have regard to our policies and to managing all risks (including financial, credit and legal risks) for ourselves and all of our Clients, our obligations to our counter parties, market conditions and our reputation. We will try to act reasonably in exercising our discretion but we are not obliged to act in your best interests or to avoid or minimize a loss in your Account.

Our significant discretion are:

- whether to accept your Order (including to Close Out a position) or to amend it;
- any risk limits or other limits we impose on your Account or your trading;
- determining Margin requirements and Leverage Rates, especially the amount of Initial Margin, minimum Margin requirements, the time to meet any changed Margin requirement;
- determining the values of MillenniumALPHA Global Product for opening and closing positions and for determining Margin;
- setting Bid Prices (sell prices) and Ask Prices (buy Prices) derived from the underlying market; and
- closing your positions and determining prices derived from the underlying market.

You should consider the significant risks that arise from MillenniumALPHA Global exercising its discretion – see Section 4.

Our other discretion include:

- setting our fees and interest rates (Base Rate, Finance Rate and Swap Rate);
- setting foreign exchange conversion rates;
- opening and closing your Account;
- giving you a grace period for full compliance in paying by cleared funds any amount you owe; and
- interpretation, variation and application of our policies.

### Policies

MillenniumALPHA Global has a number of policies that can affect your MillenniumALPHA Global Product investments. The policies are guidelines that MillenniumALPHA Global (including all of its staff) is



expected to follow but policies are not part of the Financial Product Service Terms and do not give you additional legal rights or powers.

We may change our policies at any time without notice to you. We may amend, withdraw, replace or add to our policies at any time without notice to you. Our policies may help you understand how we operate but all of the important information is set out in or referred to in this PDS so you should only rely on this PDS and not on the policies.

A copy of each of the key policies is available on our website at [www.oafx.eu](http://www.oafx.eu).

Our key policies relevant to MillenniumALPHA Global Products currently are:

- client suitability policy;
- client money policy;
- margin call policy; and
- conflicts of interests management policy.

### **Anti-Money Laundering Laws**

MillenniumALPHA Global is subject to anti-money laundering and counter-terrorism financing laws (AML laws) that can affect your MillenniumALPHA Global Product trading. If your Account is established, MillenniumALPHA Global may disclose your personal information or stop transactions on your Account for the purposes of the AML laws or under MillenniumALPHA Global's AML laws procedures, without liability to you for any loss that arises due to that occurring.

- You also warrant that the moneys used to fund your transactions have not and will not be derived from or related to any money laundering, terrorism financing or other illegal activities whether prohibited under Australian law, international law or convention or by agreement;
- the proceeds of your investment will not be used to finance any illegal activities; and
- you are not a politically exposed person or organization as defined in the AML laws.

### **Applications**

You apply for an Account by returning to MillenniumALPHA Global a completed application form which accompanies the booklet with the Financial Product Service Terms, available by contacting MillenniumALPHA Global directly by registering online via the website [www.oafx.au](http://www.oafx.au).

Accounts can be funded by electronic transfer, Bpay, cheque and credit/debit card available for MillenniumALPHA Global Products traded on the Prime MT Trader Platform. Further details are available by contacting MillenniumALPHA Global or on its website at: [www.oafx.au](http://www.oafx.au).

All funds must be cleared funds before they are credited to your Account to be made available for you to use in acquiring MillenniumALPHA Global Products. Payments using B-Pay are not cleared funds in your Account at the time of use of B-Pay. Generally, cleared funds are received in your account 24 hours after the use of B-Pay.

### **Please be reminded that funding your Account by credit card has additional risks and costs for you.**

By using these payment methods you effectively would be doubling your leverage by taking credit from your credit card account and trading with leverage on your MillenniumALPHA Global Account. This can add to the risks and volatility of you positions as well as incurs higher interest costs on your credit card account.

If you lose on your MillenniumALPHA Global Products traded on the Prime MT Trader Platform, you might not have other financial resources to repay your credit card account, incurring higher interest costs and possibly defaulting on your credit card terms.

Although MillenniumALPHA Global accepts payments of more than \$1,000 from credit card accounts to fund your Account and to meet later Margin payments, please carefully consider whether this payment method is suitable for your trading and limit it to what you can afford.

If your account is funded by credit/ debit card and you make a withdrawal request, this withdrawal amount may be refunded to your original credit card, however the method we use to honour your withdrawal request is at our sole discretion.

We do not accept third party payments and we will only accept credit/debit card payments from you if the credit/debit card is in the same name as your Account.

Individual MillenniumALPHA Global Products are traded using your online trading platform.

### **Taxation Implications**

MillenniumALPHA Global Products will have taxation implications for Clients, depending on the current tax laws and administration, the nature of the Client for tax laws, the terms of the Transactions and other circumstances. These

are invariably complex and specific to each Client. You should consult your tax advisor before trading in these financial products. MillenniumALPHA Global does not provide any taxation advice.

The following information should be regarded as general information only.

#### **Profits and losses on MillenniumALPHA Global Products**

Any gains derived or losses incurred by you in respect of MillenniumALPHA Global Products ordinarily should be included in your assessable income. When calculating the amount of profit or loss, you need to consider any fees on Open Transactions paid or received by you. If you hold your MillenniumALPHA Global Product for the purpose of trading, you should seek independent taxation advice relevant to your circumstances.

#### **Tax file number withholding rules**

The tax file number withholding rules only apply to those investments as set out in income tax legislation. MillenniumALPHA Global's current understanding is that those withholding rules do not apply to its MillenniumALPHA Global financial products; however, if it is later determined to apply and you have not provided MillenniumALPHA Global with your tax file number or an exemption category, MillenniumALPHA Global may be obliged to withhold interest payments at the highest marginal tax rate and remit that amount to the ATO.

#### **Costs, fees and charges**

If the MillenniumALPHA Global Product gives rise to gains that are assessable or losses that are deductible, any costs, fees and charges ordinarily should be available as a deduction at the time they are paid by the Client and debited against their Trading Account. You should seek independent taxation advice relevant to your circumstances.

#### **Goods and Services Tax**

With the exception of fees and charges as set out in this PDS, amounts payable for or in respect of MillenniumALPHA Global Products are not subject to goods and service tax.

#### **Profits and losses on MillenniumALPHA Global Products**

Any gains derived or losses incurred by you in respect of MillenniumALPHA Global Products ordinarily should be included in your assessable income. When calculating the amount of profit or loss, you need to consider any fees on Open Positions paid or received by you. If you hold your MillenniumALPHA Global Product for the purpose of trading, you should seek independent taxation advice relevant to your circumstances.

#### **Tax file number withholding rules**

The tax file number withholding rules only apply to those investments as set out in income tax legislation. MillenniumALPHA Global's current understanding is that those withholding rules do not apply to its MillenniumALPHA Global financial products; however, if it is later determined to apply and you have not provided MillenniumALPHA Global with your tax file number or an exemption category, MillenniumALPHA Global may be obliged to withhold interest payments at the highest marginal tax rate and remit that amount to the ATO.

#### **Costs, fees and charges**

If the MillenniumALPHA Global Product gives rise to gains that are assessable or losses that are deductible, any costs, fees and charges ordinarily should be available as a deduction at the time they are paid by the investor and debited against their Trading Account. You should seek independent taxation advice relevant to your circumstances.

#### **Goods and Services Tax**

With the exception of fees and charges as set out in this PDS, amounts payable for or in respect of MillenniumALPHA Global Products are not subject to goods and service tax.

#### **Cooling Off**

There is no cooling off arrangement for MillenniumALPHA Global Products. This means that you do not have the right to return the MillenniumALPHA Global Product, nor request a refund of the money paid to acquire the MillenniumALPHA Global Product. If you change your mind after entering into MillenniumALPHA Global Products with MillenniumALPHA Global, you must Close Out that product, pay any Transaction costs and take the risk of incurring a loss in doing so.

#### **Ethical Considerations**

MillenniumALPHA Global Products do not have an investment component. Labour standards or environmental, social or ethical considerations are not taken into account by MillenniumALPHA Global when making, holding, varying or Closing Out MillenniumALPHA Global Products.

#### **Jurisdictions**

The MillenniumALPHA Global Products offered by this PDS are available only to persons receiving the PDS in Australia.

The distribution of this PDS in jurisdictions outside Australia may be subject to legal restrictions. Any person who resides outside Australia who gains access to this PDS should comply with any such restrictions and failure to do so may constitute a violation of financial services laws. The offer to which this PDS relates is not available to Clients outside Australia.

#### **MillenniumALPHA Global insurance**

MillenniumALPHA Global has a comprehensive insurance policy in place to cover a variety of different scenarios, some which may assist in the repayment of deficits if there is fraudulent activity by one of MillenniumALPHA Global's employees, directors or authorised representatives that results in your money being used in fraudulent activities. If the insurance policy is insufficient or the insurer fails to perform its obligations, MillenniumALPHA Global may not be able to make the payments it owes to you.

### Dispute Resolution

MillenniumALPHA Global wants to know about any problems you may have with the service provided to you so we can take steps to resolve the issue. MillenniumALPHA Global has an internal and external dispute resolution procedure to resolve complaints from clients who receive financial services. A copy of these procedures may be obtained through our website or by contacting us and requesting a copy (free of charge).

If you have a complaint about the financial product or service provided to you, please take the following steps:

1. Contact your adviser and provide the details of your complaint. You may do this by telephone, facsimile, email or letter.
2. If you make a complaint in writing (which is not compulsory), we will acknowledge receipt of your complaint within 1 business day.
3. If your complaint is not satisfactorily resolved through your adviser, within five business days of receipt of your complaint, please contact the Compliance Department or put your complaint in writing and send it to the Compliance Department at:
4. MillenniumALPHA Global will try to resolve your complaint quickly and fairly. Complaints received in writing will be acknowledged within ten business days of written receipt of your complaint and we will use our best endeavor to try to resolve your complaint within 45 days of receipt of your written complaint.

### Privacy

All of the information collected by MillenniumALPHA Global, in the application form or otherwise, is used for maintaining your Account and for the purpose of assessing whether you would be suitable as a Client.

MillenniumALPHA Global has obligations under, and has procedures in place to ensure its compliance with, the Privacy Act 1988 (Commonwealth), as amended from time to time and the AML laws.

Significantly, these include the following:

1. Collecting personal information

In collecting personal information, MillenniumALPHA Global is required to:

- collect only information which is necessary for the purpose described above;
- ensure that collection of the information is by fair and lawful means; and
- take reasonable steps to make you, the individual, aware of why the information is being collected and that you may access the information held by us.

If necessary, MillenniumALPHA Global also collects information on directors of a corporate client or agents or representatives of the Client. MillenniumALPHA Global may be required by law to collect information, such as for taxation purposes or to identify persons who open or operate an account.

MillenniumALPHA Global may take steps to verify information given to it, such as consulting registries, referees, employers or credit agencies. This information will not be disclosed to any other person although MillenniumALPHA Global may disclose this information to its related bodies corporate if you intend to use the services of any of those related bodies corporate.

2. Using the personal information

Once MillenniumALPHA Global has collected the information from you, MillenniumALPHA Global will only use the information for the purposes described above unless you consent otherwise.

Personal information may be disclosed to:

- any person acting on your behalf, including your advisor, accountant, solicitor, executor, attorney or other representative;
- related bodies corporate of MillenniumALPHA Global if you use, or intend to use, services of those other corporations;
- related bodies corporate of the issuer (if that becomes different from MillenniumALPHA Global);
- any organisations to whom MillenniumALPHA Global outsources administrative functions;
- brokers or agents who refer your business to MillenniumALPHA Global (so that we may efficiently exchange information and administer your account);
- regulatory authorities;

- as required or permitted by law or by court order.

This information will not be disclosed to any other person without your consent.

You may access your personal information held by MillenniumALPHA Global (subject to permitted exceptions), by contacting MillenniumALPHA Global. We may charge you for that access.

As MillenniumALPHA Global is obliged by law to take reasonable steps to ensure that the personal information used is accurate, up to date and complete, please inform us immediately if any of the information provided in this Section changes.

### 3. Retaining personal information

MillenniumALPHA Global has implemented and maintains secure protection of all personal information obtained from misuse, loss, unauthorised access, modification or disclosure.

The information will be destroyed or de-personalised if MillenniumALPHA Global no longer requires the information for the purpose referred to above.

MillenniumALPHA Global has a Privacy Policy which covers our privacy obligations and complain about a breach of the Australian Privacy Principles, how we deal such a complaint, that we how may need to share some of your information with organisations outside Australia, and that we how we may store your information in cloud or other types of networked or electronic storage, which can be accessed from various countries via an internet connection. You can obtain a copy of our Privacy Policy at [www.oafx.eu](http://www.oafx.eu).

## Section 7 – Glossary

### Glossary

**Account** means your account with MillenniumALPHA Global established under the Financial Product Service Terms, including all Trading Accounts and all Transactions recorded in them.

**Account Currency** means the currency that the Trading Account is denominated in. Please note that all costs including spread, transaction costs, Finance Charge Adjustment and Finance Credit Adjustment are calculated in that currency.

**Ask Price (buy price)** means the Transaction Price, which MillenniumALPHA Global as the seller is willing to accept i.e., the price at which you can buy the MillenniumALPHA Global Product. This is also known as the “offer price”.

**Australian Dollars or A\$** means the lawful currency of the Commonwealth of Australia.

**Base Currency** means the first currency represented in a currency pair respect of a FX Product.

**Bid Price (sell price)** means the Transaction Price which MillenniumALPHA Global as the buyer is willing to accept i.e. the price at which you can currently sell the MillenniumALPHA Global Product.

**Business Day** means a day (other than a Saturday or Sunday or public holiday) on which banks and foreign exchange markets are or will be open for business in Sydney.

**Client** refers to the person who has an Account with MillenniumALPHA Global.

**Close Out, Closed Out and Closing Out** in relation to a Transaction means discharging or satisfying the obligations of the Client and MillenniumALPHA Global under the Transaction and this includes matching up the Transaction with a Transaction of the same kind under which the Client has assumed an offsetting opposite position.

**Closing Date** means the date on which the MillenniumALPHA Global Product is agreed to be Closed Out, or earlier, if deemed to be Closed Out in accordance with the Financial Product Service Terms.

**Closing Price** means the daily closing Current Market Price (or, if an index, level) of the Underlying Reference Instrument (determined by MillenniumALPHA Global).

**Commodity Derivative** means MillenniumALPHA Global Products whose Underlying Reference Instrument is a commodity.

**Corporations Act** means the Corporations Act 2001 (Commonwealth) and any regulations made under it, including in any case as amended by any instrument made by the Australian Securities and Investments Commission.

**Current Market Price** is the price available to MillenniumALPHA Global from MillenniumALPHA Global being its only Hedge Counterparty, which may be a delayed price depending on whether you have subscribed for live pricing.

**Equity Derivative** means a MillenniumALPHA Global Products whose Underlying Reference Instrument

is a financial product traded on an equities Exchange.

**EUR** means the single currency of the European Economic and Monetary Union.

**Exchange Rate** means, in relation to any currency, any widely recognised and published foreign exchange rate for value Spot selected by MillenniumALPHA Global in its sole discretion. The foreign exchange rate is always quoted as to how much of the Variable Currency, for 1 unit of the Base Currency, is worth.

**Finance Charge Adjustment** means the amount you pay in respect of your Transaction, in accordance with the Financial Product Service Terms.

**Finance Credit Adjustment** means the amount you receive in respect of your Transaction, in accordance with the Financial Product Service Terms.

**Financial Product Service Terms** means the terms of your Account with MillenniumALPHA Global, which accompanied your application form, for all of your Trading Accounts by which you deal in Transactions (as amended from time to time). Variations or additional terms may be notified to you from time to time in accordance with your current Financial Product Service Terms.

**FX** means foreign exchange.

**FX Product** means MillenniumALPHA Global Products whose Underlying Reference Instrument (or pair of them) is a currency (including a cryptocurrency (or digital token)).

**MillenniumALPHA Global** means MillenniumALPHA Global, in accordance with the terms, any person who is a permitted assignee or other successor to MillenniumALPHA Global.

**MillenniumALPHA Global Trading Platforms** means MillenniumALPHA Global's online trading platforms including **Global Trader**, Prime Meta Trader (**Prime MT Trader**) and **IRESS Trader** for trading in MillenniumALPHA Global Products.

**MillenniumALPHA Global Products** refers to all products that are issued by MillenniumALPHA Global under the Financial Product Service Terms. A full list of specific financial products on offer by MillenniumALPHA Global from time to time is available on the website at [www.oafx.eu](http://www.oafx.eu).

**Hedge Counter party** means MillenniumALPHA Global, being the only entity that MillenniumALPHA Global enters into hedge contracts with to hedge MillenniumALPHA Global's exposure to MillenniumALPHA Global Products.

**Initial Margin** means the amount which you are required to pay to MillenniumALPHA Global as Margin for any Transaction which you propose to enter into.

**Index and Indices** refers to MillenniumALPHA Global Products whose Underlying Reference Instrument is an index comprised of securities of issuers listed on an Exchange, typically an index sponsored or promoted by an Exchange. The S&P™/ ASX 200™ is an example, so a S&P™/ ASX 200™ Index is an index whose Underlying Reference Instrument is the S&P™/ ASX 200™ and the values are based on the index levels of the S&P™/ ASX 200™. The index sponsor has no involvement in the MillenniumALPHA Global Product.

**JPY** means the lawful currency of Japan.

**Leverage Rate** means a transaction size/ margin ratio for each MillenniumALPHA Global Product. For example, the 1:100 Leverage Rate means that the Client is required to have 1% of transaction size in its Account as Margin.

**Margin** means the amount of money (or money's worth) paid to MillenniumALPHA Global and value of the Non-margin product including synthetic equity contracts, (usually shown as a percentage) available to be counted as Margin Cover and so contributes towards meeting your Margin requirements arising from the MillenniumALPHA Global Products and credited to your Account as Margin.

**Metal Product** means a MillenniumALPHA Global Product whose Underlying Reference Instrument is a contract in respect of metal (including in relation to gold or silver), on a Spot basis only, and payment in United States dollars.

**Non-margin product** means a MillenniumALPHA Global Product (or other Transaction) which has a Margin requirement equal to the full Contract Value (i.e. 100%) of the Underlying Reference Instrument. This means there will be no later Margin requirement for that product (unless in respect of an instalment payment on an Underlying Reference Instrument which is a partly paid security). This product could be a synthetic equity.

**NZD** means the lawful currency of New Zealand.

**Open Position** means, at any time, a Transaction which has not been Closed Out, or settled prior to the time agreed for settlement.

**Option** means a MillenniumALPHA Global Product whose Underlying Reference Instrument is an option.

**Order** means any order placed by you to enter into a Transaction.

**OTC** means “over the counter”, in contrast with traded on a regulated exchange.

**OTC contract** means an over the counter contract for a financial product.

**Overnight** means end of a trading day at 23:59 London local time

**Pending Order** means either a buy stop or sell stop, a buy limit or sell limit order.

**Points** or **Pips** means in the context of FX Product is the smallest increment by which a FX Product Price changes and is quoted depending on the number of decimal places the currency is quoted. For example on a USD/JPY Transaction, which is quoted with only two decimal (meaning one Pip = JPY 0.01).

**Point Value** or **Pip value in the context of FX Product** means the value of a point or pip for 1 Lot denominated in the Account Currency being the smallest increment by which an FX Product price or Exchange Rate changes also referred to as a Tick. You can calculate the value of a single pip or point denominated in the Account Currency, for instance, if you know that the EUR/USD is quoted with four decimals, so for a 100,000 position you can multiply the 100,000 by the Tick being the four decimal value of one pip, or USD 0.0001. So, on a EUR/USD 100,000 Transaction, the Point Value for 1 Pip would equal USD 10. On a USD/JPY 100,000 Transaction, the Value for 1 pip is equal to JPY 1000 because USD/JPY is quoted with only two decimal (meaning one Pip = JPY 0.01), which would be converted at the current Exchange Rate to get an amount in USD.

**Spot** means the theoretical Value Date for a Transaction will occur two (2) Business Days following the day on which the Transaction is entered into.

**Spread** means the difference between the Bid Price and the Ask Price of MillenniumALPHA Global Products.

**Tick** in the context of FX Products means the smallest increment by which an FX Product price or Exchange Rate changes. Please note that in most currencies the tick is 0.0001 of the currency unit. There are exceptions for example when JPY is the Variable Currency the Tick value is equal to 0.01. The Website also displays the Tick for each of the MillenniumALPHA Global Products.

**Trading Account** means the various types of Accounts offered by MillenniumALPHA Global for trading purposes on the MillenniumALPHA Global Trading Platforms including the standard, Pro and Gold Trading Accounts established under the Financial Product Service Terms.

**Transaction** means a transaction in any of the kinds of MillenniumALPHA Global Product which are traded under the Financial Product Service Terms.

**Transaction Fee** means the fee or commission from time to time specified by MillenniumALPHA Global to be the amount payable by you to MillenniumALPHA Global in respect of each Transaction as set out in this PDS or as later varied in accordance with the Financial Product Service Terms and this PDS.

**Transaction Price** means, for FX products, the Exchange Rate and, for Metal Products, Equity Derivatives, Futures Derivatives, Commodity Derivatives and Options, it is the price (or for indices, the level) of buying or selling the financial product.

**USD** means the lawful currency of the United States of America.

**Variable Currency** means the second mentioned currency in respect of a FX Product position.

**Underlying Reference Instrument** means the product which is used as the basis for the calculations of prices for your MillenniumALPHA Global Products, such as a share or similar equity financial product, commodity, option, Futures Contract, index or other item (or any combination of one or more of those).

**Value Date** means the theoretical date of delivery if the product could be settled by physical or deliverable settlement.

#### Prime MT Trader Glossary

**Balance** means the funds available in a Trading Account that may be used for trading MillenniumALPHA Global Products.

**Equity** means the current value of your Trading Account  
i.e. net worth of funds in the Account, which is calculated by MillenniumALPHA Global by combining:

- the Balance of the account being the deposit / withdrawals and closed trade profit and loss; and
- the floating (unrealised) profit / loss (positive/negative) of the Open Positions net of Fees and Charges.

**Contract Value** means the face value of the MillenniumALPHA Global Product and is calculated by MillenniumALPHA Global by multiplying the applicable price by the Lot traded and the Contract Size.

**Contract Size** means the standard volume per 1 Lot expressed either in ounces or number of contracts. An indication of the standard transaction sizes for the MillenniumALPHA Global Products is available on the website at [www.oafx.eu](http://www.oafx.eu).

**Free Margin** means the value of funds that are available for opening a position. It is calculated by MillenniumALPHA Global by subtracting from the Equity the required Margin.

**Lot** means the unit that represents the volume of a Transaction taking into consideration the Contract Size. It can be represented as a portion of a Lot subject to the minimum Lot size, for example (0.1 of a lot) being referred to as a mini Lot or (0.01 of a Lot) being referred to as a micro Lot. For example 1 Lot in EURUSD equals 100,000 EUR being the Base Currency unit and 0.1 Lot is therefore 10,000 units of Base Currency.

**Margin Level** means the Equity to Margin ratio calculated as Equity divided by Margin.

**Point Value** or **Pip value in the context of FX Product** means the value of a point or pip for 1 Lot denominated in the Account Currency being the smallest increment by which an FX Product price or Exchange Rate changes also referred to as a Tick. You can calculate the value of a single pip or point for 1 Lot denominated in the Account Currency, for instance, if you know that the EUR/USD is quoted with four decimals, so for a 1 Lot position you can multiply the Contract Size by the Tick being the four decimal value of one pip, or USD 0.0001. So, on a EUR/USD 100,000 (1 Lot) Transaction, the Point Value for 1 Lot would equal USD 10. On a USD/JPY 100,000 (1 Lot) Transaction, the Value for 1 Lot is equal to JPY 1000 because USD/JPY is quoted with only two decimal (meaning one Pip = JPY 0.01), which would be converted at the current Exchange Rate to get an amount in USD.

**Prime MT Trader** means MillenniumALPHA Global online trading platform of this name, where FX Products are traded.

**Swap Rate** means the rate, usually displayed as swap Points, nominated by MillenniumALPHA Global for this defined term from time to time, as notified to you (including through the online trading platform) or by contacting MillenniumALPHA Global.

#### Global Trader Glossary

**Account Value** means the current value of your Global Trader Account which is calculated by MillenniumALPHA Global by combining:

- the balance of the cash account (Cash Balance);
- the sum of the values of the Non-margin product's positions;
- the unrealised value (positive/negative) of the Open Positions in Margin Products
- indicative costs to Close (Transaction Fees, Finance Charges); and
- the values of Transactions not yet booked.

**Base Rate** means the amount nominated by MillenniumALPHA Global for this term from time to time, as notified to you (including through the online trading platform) or posted on its website.

- (a) In the absence of any valid nomination, the Base Rate for a Finance Charge debited to your Account (or Trading Accounts) is the prevailing overnight "London InterBank Offer Rate" (currently referred to as bbalibor™, previously known as "LIBOR") plus 4%. bbalibor™ is a primary benchmark for short term interest rates globally. The overnight bbalibor™ is widely published via a number of data vendors and those financial services and media outlets are licensed to display bbalibor data after 5:00 p.m. London Time.

In the absence of any valid nomination, the Base Rate for a Finance Charge credited to your Account (or Trading Accounts) is the prevailing overnight "London inter-bank bid rate" (LIBID) being the rate of interest at which banks in London bid for deposit funds less an amount of 3% (but so that the Base Rate for any credit can never be less than 0%). The overnight LIBID is widely published via a number of data vendors.

MillenniumALPHA Global is not authorised to publish LIBOR or LIBID data on a continuous basis, but there are rates displayed on your Global Trader which should be used for information purposes only.

**Finance Rate** means the amount nominated by MillenniumALPHA Global for this term from time to time, as notified to you (including through the online trading platform) or posted on its website.

- (a) In the absence of any valid nomination, when you hold a long Equity Derivative and Index position overnight, the Finance Rate for a Finance Charge Adjustment debited to your Account (or Trading Accounts) is the prevailing overnight "London InterBank Offer Rate" (currently referred to as bbalibor™, previously known as "LIBOR") plus a mark-up, up to a maximum of 3%. bbalibor™ is a primary benchmark for short term interest rates globally. The overnight bbalibor™ is widely published via a number of data vendors and those financial services and media outlets are licensed to display bbalibor data after 5:00 p.m. London Time. The mark-up is MillenniumALPHA Global
- (b) In the absence of any valid nomination, when you hold a short Equity Derivative and Index position overnight the Finance Rate for a Finance Charge Adjustment credited to your Account (or Trading Accounts) is the prevailing overnight "London inter-bank bid rate" (LIBID) being the rate of interest at which banks in London bid for deposit funds less a mark-down, up to a maximum amount of 4.5%. If the rate calculated by applying LIBID minus the mark-down results in a debit as opposed to a credit, then this will be the Finance Rate for a

Finance Charge Adjustment to be debited to your Account (or Trading Account). The overnight LIBID is widely published *via* a number of data vendors. The mark-down is MillenniumALPHA Global

**Cash Balance** means the funds available in a Trading Account that may be used for trading MillenniumALPHA Global Products.

**Contract Value** means the face value of the MillenniumALPHA Global Products, and is calculated by MillenniumALPHA Global by multiplying the applicable price (or, if an index, the level) of the relevant Underlying Reference Instrument by the number of Underlying Reference Instruments (or, if an index, multiplier) specified in or for the purpose of the MillenniumALPHA Global Products.

**Global Trader** means the MillenniumALPHA Global online trading platform of this name, which is a multi-product platform where all MillenniumALPHA Global Products (including Non-margin Products) traded on this platform are OTC derivatives.

**Margin Cover** means the amount of Margin available for margin trading on your Account. It is calculated by MillenniumALPHA Global by subtracting from the Account Value: (i) the required Margin; (ii) that part of the value of Open Positions which are Margin Products which is not available to be counted as Margin Cover (usually shown as a percentage of the unrealised value of the Margin Product) and (iii) that part of the value of Open Positions which are Non-margin products which is not available to be counted as Margin Cover (usually shown as a percentage of the value of the Non-margin product).

**Margin Product** means a MillenniumALPHA Global Product (or other Transaction) which has a required Margin of less than the full Contract Value of the Underlying Reference Instrument.

**Margin Trading** refers to any trading in any Margin Product.

**Margin Utilisation** is expressed as a percentage and relates to the proportion of the Account Value which you are utilising for Margin requirements. The purpose of the Margin Utilisation is to calculate and show simply in percentages how you are meeting your obligation to maintain sufficient Margin. For example, if the Margin Utilisation on your Account is above 100%, you have already failed to maintain the minimum required Margin and ordinarily you would already have received a Margin call. The formula used by MillenniumALPHA Global to calculate this is:

$\text{Margin requirement} \times 100 \text{ (expressed as \%)} = (\text{Margin Cover} + \text{Margin requirement})$

**Non-margin product** means a MillenniumALPHA Global Product (or other Transaction) which has a Margin requirement equal to the full Contract Value (i.e. 100%) of the Underlying Reference Instrument. This means there will be no later Margin requirement for that product (unless in respect of an instalment payment on an Underlying Reference Instrument which is a partly paid security). This product could be a synthetic equity.

### IRESS Trader Glossary

**Account Value** means the current value of your Account which is calculated by MillenniumALPHA Global by combining:

- the balance of the cash account (Cash Balance); and
- the unrealised value (positive/negative) of the Open Positions;

**Cash Balance** means the funds available in a Trading Account that may be used for trading MillenniumALPHA Global Products.

**Contract Value** means the face value of the MillenniumALPHA Global Products, and is calculated by MillenniumALPHA Global by multiplying the applicable price (or, if an index, the level) of the relevant Underlying Reference Instrument by the number of Underlying Reference Instruments (or, if an index, multiplier) specified in or for the purpose of the MillenniumALPHA Global Products.

**Finance Rate** means the amount nominated by MillenniumALPHA Global for this term from time to time, as notified to you (including through the online trading platform) or posted on its website.

- (a) In the absence of any valid nomination, when you hold a long Equity Derivative and Index position overnight, the Finance Rate for a Finance Charge Adjustment debited to your Account (or Trading Accounts) is the prevailing 1 month Bank Bill Swap rate (currently referred to as BBSW) plus a mark-up, up to a maximum of 3%. BBSW is a primary benchmark for evaluating floating rate bonds or investments. The BBSW is widely published via a number of data vendors. The mark-up is MillenniumALPHA Global
- (b) In the absence of any valid nomination, when you hold a short Equity Derivative and Index position overnight the Finance Rate for a Finance Charge Adjustment credited to your Account (or Trading Accounts) is the prevailing overnight "London inter- bank bid rate" (LIBID) being the rate of interest at which banks in London bid for deposit funds less a mark-down, up to a maximum amount of 4.5%. If the rate calculated by applying LIBID minus the mark-down results in a debit as opposed to a





credit, then this will be the Finance Rate for a Finance Charge Adjustment to be debited to your Account (or Trading Account). The overnight LIBID is widely published *via* a number of data vendors. The mark-down is MillenniumALPHA Global

MillenniumALPHA Global is not authorized to publish LIBOR or LIBID data on a continuous basis, but there are rates displayed on your Global Trader which should be used for information purposes only.

**IRESS Trader** means MillenniumALPHA Global online trading platform of this name, where Equity Derivatives are traded.