



SELF-DIRECTED CLIENT TERMS AND CONDITIONS

VERTICAL CAPITAL MARKETS PTY LTD
TRADING AS VFS GROUP

ABN 11 147 186 114 · AFSL 418418

These Terms and Conditions (Terms) govern your self-directed trading account with Vertical Capital Markets Pty Ltd trading as VFS Group, ABN 11 147 186 114, holder of Australian Financial Services Licence No. 418418 (VFS, we, us, our).

By completing the account application, or by operating your account, you agree to be bound by these Terms as amended from time to time.

Our self-directed service is offered under a number of brand names. Whichever brand you use, the service is provided by Vertical Capital Markets Pty Ltd trading as VFS Group, and these Terms apply.

1. What we do, and what we do not do

- 1.1 Our role.** We arrange for you to open and operate a trading account on a trading platform provided by Interactive Brokers as a white-label service (the Platform). We assist you to open and set up your account, and we provide customer support. That is the extent of our service.
- 1.2 No advice.** We do not provide financial product advice of any kind — personal or general — to self-directed clients. We do not recommend, rate, or comment on any financial product, strategy or trade. Our support team provides factual information only, such as how the Platform works, how to place an order, or how a fee is calculated. Nothing we say or publish should be taken as a recommendation or an opinion about whether any investment is suitable for you.
- 1.3 No discretion.** We have no authority to trade on your account and no discretion over it. Every decision to buy, sell, hold, deposit, withdraw or use margin is yours alone. We do not monitor your account, your positions or your performance, and we will not contact you about them.
- 1.4 Your responsibility.** You are responsible for deciding whether self-directed trading, the Platform, and any financial product you trade are appropriate for your objectives, financial situation and needs. If you are unsure, you should obtain independent financial, legal or tax advice before opening an account and before trading.
- 1.5 Third-party content.** Market data, news, research, screeners, ratings, calculators and educational material available through the Platform are provided by Interactive Brokers or other third parties. They are not prepared, reviewed or endorsed by us and are not advice from us. The same applies to any third party that advertises or promotes our service: it is not part of VFS and does not act for us, and anything it says or provides to you is its own and is not given, reviewed or endorsed by us.

2. Your relationship with Interactive Brokers

- 2.1** When you open an account, you also enter into a separate client agreement with Interactive Brokers Australia Pty Ltd, ABN 98 166 929 568, holder of Australian Financial Services Licence No. 453554, of Level 11, 175 Pitt Street, Sydney NSW 2000 (Interactive Brokers or IB). Interactive Brokers, not VFS, executes your orders, clears and settles your trades, holds your cash and securities, and provides your trade confirmations and statements.
- 2.2** The Interactive Brokers client agreement, and the disclosures, Product Disclosure Statements and Target Market Determinations that Interactive Brokers provides, govern execution, clearing, settlement, custody, client money, margin and the operation of the Platform. You should read them. If these Terms conflict with the Interactive Brokers client agreement on any of those matters, the Interactive Brokers client agreement prevails.
- 2.3** We are not responsible for the acts, omissions, systems or solvency of Interactive Brokers, or for the availability or performance of the Platform, except to the extent the law does not allow us to exclude that responsibility.

3. Definitions

3.1 In these Terms:

- (a) **Account** means your self-directed trading account on the Platform, under any brand.
- (b) **Business Day** means a day on which banks are open for general business in Sydney, Australia.
- (c) **Corporations Act** means the Corporations Act 2001 (Cth).
- (d) **Pricing Schedule** means the pricing schedule that applies to your Account, as described in clause 6.1.
- (e) **FSG** means our Financial Services Guide.
- (f) **Platform** has the meaning given in clause 1.1.
- (g) **VFS Fee** means the fees payable to us under your Pricing Schedule.

3.2 Headings are for convenience only. The singular includes the plural. A reference to a law includes any amendment or replacement of it and any regulation made under it.

4. Opening your account

4.1 You must complete our application and the Interactive Brokers application, and provide the identification and other information we or Interactive Brokers require, including for the purposes of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth). We may decline any application without giving reasons.

4.2 You warrant that all information you give us is true, complete and not misleading, and that you will tell us promptly if it changes. You warrant that you are at least 18 years of age, have full legal capacity, and are not insolvent.

4.3 If the Account is held by more than one person, each of you is jointly and severally liable under these Terms, and we may act on the instructions of any one of you unless you have told us in writing that all must instruct.

4.4 If you apply as a company, trustee or other entity, you warrant that the entity is validly constituted, that its governing documents permit it to open the Account and trade the financial products available on the Platform, and that the person applying is authorised to bind it. A trustee warrants that it is entitled to be indemnified out of the trust assets for its obligations under these Terms.

4.5 We treat you as a retail client under the Corporations Act unless we have notified you in writing that we are treating you as a wholesale client.

5. Trading and risk

5.1 You place your own orders on the Platform. Orders are transmitted to and executed by Interactive Brokers under its client agreement.

5.2 Assistance with orders. If you ask us to, we may enter, amend or cancel an order on your Account on your express instruction. When we do:

- (a) we act only on the specific instruction you give – product, quantity, order type, price and validity – and we do not choose or suggest any of them;
- (b) we do not comment on whether the order is a good idea, suitable for you, or well-timed, and nothing we say in taking your instruction is advice;
- (c) the call or message in which you give the instruction is recorded;
- (d) we may decline to act on an instruction without giving a reason, and we are not liable for delay where an instruction is unclear or incomplete; and
- (e) the order is executed by Interactive Brokers under its client agreement in the same way as an order you place yourself, and the same fees apply.

5.3 You acknowledge that trading in shares, exchange traded funds, options, futures, foreign exchange and other financial products involves risk, including the risk of losing more than you invest where leverage or margin is used. Prices can move rapidly. Past performance is not an indicator of future performance. International securities carry currency risk and are subject to the rules of overseas markets and regulators.

5.4 You are responsible for understanding the products you trade, including by reading the Product Disclosure Statement and Target Market Determination for any product that has one, and for monitoring your positions and any margin requirements.

5.5 Neither we nor Interactive Brokers guarantees the performance of any financial product or the Account.

6. Fees

- 6.1 VFS Fee.** You agree to pay us the VFS Fee for each trade you place, at the rates in the pricing schedule that applies to your Account (your Pricing Schedule). Your Pricing Schedule is shown to you and acknowledged by you before you accept these Terms. You can ask us for a copy at any time. It forms part of these Terms.
- 6.2 Pricing may differ.** We offer our self-directed service under different brands and through different channels, and pricing may differ between them.
- 6.3 No account fees.** We do not charge platform, custody, administration or account-keeping fees.
- 6.4 Interactive Brokers charges.** Interactive Brokers charges its own fees separately under its client agreement, which may include exchange and regulatory fees, market data fees, currency conversion costs and margin interest. Those charges are not VFS Fees and are not set by us.
- 6.5 How fees are collected.** You authorise Interactive Brokers to deduct the VFS Fee from your Account at the time of each trade and pay it to us. Fees are shown on your trade confirmations and statements.
- 6.6 Changes.** We may change your Pricing Schedule by giving you at least 30 days' notice in writing. If you do not accept a change, you may close your Account under clause 13 before it takes effect.
- 6.7 GST.** Unless stated otherwise, fees are inclusive of GST.

7. Cash and interest

- 7.1 Cash in your Account** is held by Interactive Brokers under its client agreement and the client money rules that apply to it. We do not hold your cash
- 7.2 Interest arrangement.** You do not receive interest on cash held in your Account. Interactive Brokers pays VFS an amount referable to the interest it earns on cash balances above USD 10,000, at a rate agreed between VFS and Interactive Brokers from time to time. This is a benefit we receive from Interactive Brokers and is disclosed in our FSG.

8. Confirmations and statements

- 8.1** Interactive Brokers provides your trade confirmations and account statements electronically through the Platform. You must check them promptly and tell us or Interactive Brokers in writing of any error within 5 Business Days. Subject to any right you have under law, a confirmation or statement not disputed within that time is taken to be correct.

9. Communications

- 9.1** We communicate with you electronically, using the email address and contact details in your application. You must keep them current. Notices from us are taken to be received when sent, unless we receive a delivery failure.
- 9.2** You consent to us recording telephone calls and retaining electronic communications for compliance, training and dispute resolution purposes.
- 9.3** You are responsible for the security of your Platform login credentials. We may act on any instruction that appears to come from your Account or your registered contact details.

10. Privacy and information

- 10.1** We collect, use and disclose your personal information in accordance with our Privacy Policy, which is available on request and at our website. We share your information with Interactive Brokers to open and operate your Account.
- 10.2** We may disclose your information to ASIC, AUSTRAC, the Australian Financial Complaints Authority or another regulator or authority where required or permitted by law.

11. Liability

- 11.1** Nothing in these Terms excludes or limits any right you have under the Australian Consumer Law, the ASIC Act 2001 (Cth) or any other law that cannot be excluded.
- 11.2** Subject to clause 11.1, we are not liable for any loss you suffer arising from: your trading decisions; the performance of any financial product; the acts or omissions of Interactive Brokers or any market, exchange or clearing house; the unavailability, delay or malfunction of the Platform, market data or communications; your failure to keep your credentials secure; or events beyond our reasonable control..
- 11.3** Subject to clause 11.1, our total liability to you under or in connection with these Terms is limited to the VFS Fees you paid us in the 3 months before the event giving rise to the claim. We are not liable for indirect or consequential loss.
- 11.4** You indemnify us against loss we suffer because of your breach of these Terms or your unlawful or fraudulent conduct, except to the extent caused by our negligence or breach.

12. Complaints

- 12.1** If you have a complaint about our service, contact us:
Phone: 1300 220 360
Email: info@vfsgroup.com.au, or
Mail to: Complaints Manager, VFS Group,
Vertical Capital Markets Pty Ltd,
PO Box 7110, Warringah Mall NSW 2100

We will acknowledge your complaint within one Business Day of receiving it, or as soon as practicable, and give you a written response no later than 30 calendar days after we receive it. If we need more time, we will write to you before then to explain why and when to expect our response.

- 12.2** If you are not satisfied with our response, or we do not respond within 30 calendar days, you may take your complaint to the Australian Financial Complaints Authority (AFCA), an external dispute resolution scheme of which we are a member. AFCA's service is free to you and its determinations bind us.

Time limits apply, so contact AFCA promptly.
Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
T: 1800 931 678
E: info@afca.org.au
www.afca.org.au

- 12.3** Complaints about execution, custody, the Platform or Interactive Brokers' charges should be made to Interactive Brokers under its complaints process. We will help you direct a complaint to the right party.

13. Closing your Account and termination

- 13.1** You may close your Account at any time by written notice to us, after closing or transferring your positions and withdrawing your cash under the Interactive Brokers client agreement.
- 13.2** We may terminate these Terms and close your Account on 10 Business Days' written notice, or immediately if you breach these Terms, if we are required to do so by law or a regulator, if we reasonably suspect fraud or unlawful activity, or if it becomes unlawful or impracticable for us to continue to provide the service.
- 13.3** Ending your relationship with us does not of itself close your Interactive Brokers account. You may continue to deal with Interactive Brokers directly under its client agreement, subject to its eligibility requirements, or close your account with it. The VFS Fee ceases to apply to trades you place after your relationship with us ends.
- 13.4** Termination does not affect rights and obligations that accrued before termination, and clauses 10, 11 and 12 survive.

14. Changes to these Terms

- 14.1** We may change these Terms by giving you at least 30 days' written notice, or a shorter period where a change is required by law or is not adverse to you. If you do not accept a change you may close your Account before it takes effect. Continuing to operate your Account after the change takes effect is acceptance of it.

15. General

- 15.1** You may not assign your rights under these Terms. We may assign or novate these Terms to a related body corporate or a successor licensee on notice to you.
- 15.2** If any part of these Terms is invalid or unenforceable, that part is severed and the rest continues.
- 15.3** A failure or delay in exercising a right is not a waiver of it.
- 15.4** These Terms, your Pricing Schedule, our FSG and our Privacy Policy make up the agreement between you and us for your self-directed Account. They replace any earlier terms between us relating to the Account.
- 15.5** These Terms are governed by the law of New South Wales, Australia. You and we submit to the non-exclusive jurisdiction of its courts.

How you accept these Terms

You accept these Terms by confirming, in the online application, that you have read and agree to be bound by them. Your acceptance, and the version of these Terms you accepted, is recorded at the time you submit your application. Operating your Account is also acceptance of the Terms current at that time.

