



TITANFX

**PRODUCT
DISCLOSURE
STATEMENT**



1. Important Information and Disclaimer

- 1.1 Financial services are provided by Titan FX Limited. This Product Disclosure Statement ("PDS" has been prepared to help you decide whether Margin FX and CFD products are appropriate for your financial objectives, situation and needs. It has not been prepared to take into consideration your current financial needs or objectives. This PDS does not constitute a recommendation, advice or opinion. It is general information only.
- 1.2 You should be mindful of the risks of trading Margin FX and CFD products and note that you can incur losses when trading. Returns are not guaranteed.
- 1.3 Transactions involving Margin FX and CFD products are highly leveraged and involve many risks. Titan FX recommends that before trading begins that you understand and accept these risks.
- 1.4 Titan FX also recommends that you seek independent advice to ensure this is appropriate for your particular financial objectives, needs and circumstances.
- 1.5 This Product Disclosure Statement is dated 3 December 2020

2. Purpose and Contents of this Product Disclosure Statement ("PDS")

- 2.1 This PDS is designed to provide you with important information regarding margin foreign exchange (FX) and Contract for Difference (CFD) transactions we utilise in the provision of our services, including the following information:
 - Who we are
 - How you can contact us
 - Which products we are authorised to offer
 - Key features/risk/benefits of these products
 - Applicable fees and charges for these products
 - Any potential conflicts of interest we may have; and
 - Our internal and external dispute resolution process.
- 2.2 The provision of this PDS to any person does not constitute an offer to any person of any interests to whom it would not be lawful to make such an offer.
- 2.3 The information in the PDS is subject to change from time to time and changes to content that are not materially adverse will be posted on our website - <https://titanfx.com>



3. Name of Service Provider

3.1 The Service Provider is Titan FX Limited, Vanuatu company number 40313, having its registered office address at 1st Floor, Govant Building Port Vila, Vanuatu.

4. Applications

4.1 If you wish to apply for a Margin FX and CFD account you must complete the Titan FX application form agreeing to the information held in this PDS.

5. Other Jurisdictions

5.1 The offer to which this PDS relates is available only to persons receiving the PDS who reside and have citizenship in such jurisdictions where they are permitted to transact with Titan FX ("registered jurisdictions"). The distribution of this PDS in jurisdictions outside Titan FX registered jurisdictions may be subject to legal restrictions. Any person who resides or who is located outside Titan FX registered jurisdictions who gains access to this PDS should comply with any such restrictions, as failure to do so may constitute a violation of local financial services laws. Restricted jurisdictions include, but are not limited to: Australia, Canada, Iran, North Korea and the United States of America. Titan FX may modify this list from time to time in line with internal compliance policies.

6. Products covered in this PDS

6.1 This is a PDS for FX and CFD contracts provided by Titan FX. These are over the counter ("OTC") contracts.

6.2 Titan FX products do not result in the physical delivery of the currency, commodity, or underlying product. All FX and CFD products are cash adjusted or Closed Out by the client i.e. there is no physical exchange of one currency for another.

6.3 The CFDs offered by Titan FX are based on the price of underlying financial instruments including the following:

- shares (stocks);
- share indices;
- commodities; and
- foreign exchange (Forex)

7. Transaction Types

- 7.1 Margin FX transactions are over-the-counter (“OTC”) derivatives. “Foreign exchange” generally refers to trading in foreign exchange products (currency) in the spot (cash) markets. Margin foreign exchange products can be differentiated from foreign currency as they allow the investor an opportunity to trade foreign exchange on a margined basis as opposed to paying for the full value of the currency. In other words, investors are required to lodge funds as security (initial margins) and to cover all net debit adverse market movement (variation margins) i.e. positions are monitored on a mark-to-market basis to account for any market movements. When clients are making a loss to an extent that they no longer meet the margin requirements they are required to “top up” their accounts or to “close out” their position. Foreign exchange is essentially about exchanging one currency for another at an agreed rate. Accordingly, in every exchange rate quotation, there are two currencies. The exchange rate is the price of one currency (the “base” currency) in terms of another currency (the “terms” currency) such as the price of the Australian dollar in terms of the US dollar. For example, if the current exchange rate for the Australian dollar as against the US dollar is AUD/USD 0.70000, this means that one Australian dollar is equal to, or can be exchanged for, 70 US cents.
- 7.2 A CFD (contract for difference) is a leveraged financial instrument that will fluctuate in value based on the price of the underlying asset. This asset could be the price of gold, the value of a share, share index or of a particular commodity. This financial instrument does not provide ownership to the underlying asset and does not entitle you to delivery of the asset at any stage. As the instrument is not being traded direct on the exchange, the contract is an over-the-counter (OTC) product.
- A CFD is an agreement between yourself and Titan FX to exchange the difference in value from when the contract is opened to when it is closed. If the value of the CFD has moved in your favour, you will be paid an amount into your trading account, should the value of the CFD move against your position, the value will be deducted from your account.
- Whilst you have open positions on CFD products, you may attract financing costs or swaps after each rollover (00:00 server time). This financing cost or swap is based on the underlying asset you are trading and is subject to change.
- 7.3 Index CFD's provide you a way to speculate on the over-all performance of a basket of shares in a particular country. This provides you exposure to the over-all market rather than risk of an individual equity or share.
- 7.4 Some instruments, such as futures, have set expiry dates. This information is available within the specifications of the symbol itself on the trading platforms. When the expiry is reached, the contract will be closed at the last rate that is available.



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

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

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

8. How is the Exchange Rate Calculated?

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

9. Calculating Profit and Loss

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

10. Purpose of Margin FX and CFD trading

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

Some trade for:

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

10.1.2 **Hedging:** Some people hedge their exposures to the underlying currency. Foreign exchange exposures may arise from a number of different activities such as:

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

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

11. Key Benefits of trading in FX products

11.1 FX products provide important risk management tools for those who manage foreign currency exposures. Titan FX offers its clients the ability to buy and sell foreign currency using Margin FX. This enables clients to protect themselves against adverse currency market swings. The significant benefits of using FX products offered by Titan FX as a risk management tool are to protect your exchange rate and provide cash flow certainty. These and other benefits are as follows:



11.2 Protect an Exchange Rate

Titan FX provides an online trading platform, enabling clients to trade in OTC derivatives such as Margin FX over the internet. This facility provides clients with direct access to our system to enable them to buy and sell currency rates to protect themselves against adverse market swings. Titan FX also offers clients a way of managing volatility by using stop loss orders that enable clients to protect themselves against adverse market swings yet secure enhanced market rates when offered. Clients can eliminate downside risk by the use of stop loss orders if the exchange rate reaches a particular level. In addition, clients may also use limit orders which allow clients the opportunity to benefit from favourable upside market movements.

11.3 Provide cash flow certainty

By agreeing a rate now for a time in the future you will determine the exact cost of that currency, thereby giving certainty over the flow of funds. Any profit (or loss) you make using the Titan FX product would be offset against the higher (or lower) price you physically have to pay for the foreign currency.

In addition to using margin foreign exchange products as a risk management tool, clients can benefit by using margin foreign exchange products offered by Titan FX to speculate on changing exchange rate movements. You may take a view of a particular market or the markets in general and therefore invest in our products according to this belief in anticipation of making a profit.

The significant benefits of using margin foreign exchange products offered by Titan FX as a trader or a speculator (and for the client seeking to use the Titan FX product as a risk management tool) are as follows:

11.4 Trade in small amounts

The Titan FX system enables you to make transactions in small amounts. You can start using Titan FX even with an opening balance as little as USD \$200 or equivalent. When trading in a contract offered by Titan FX you may deposit the sum that suits you, or the amount which is in line with the amount you are willing to risk. With Titan FX you are in full control of your funds. Titan FX allows trading with as little as \$1 margin requirements.

11.5 Access to the foreign exchange markets at any time

When using Titan FX you gain access to a highly advanced and multi-levelled system which is active and provides you with the opportunity to trade 24 hours a day, 5 days per week on any global market which is open for trading. This gives you a unique opportunity to react instantly to breaking news that is affecting the markets. It should be noted however, that trading in the various currency crosses may be restricted to hours where liquidity is available for any given currency cross.



11.6 Profit potential in falling markets

Since the market is constantly moving, there are always trading opportunities, whether a currency is strengthening or weakening in relation to another currency. When you trade currencies, they literally work against each other. If the EURUSD declines, for example, it is because the US dollar gets stronger against the Euro and vice versa. So, if you think the EURUSD will decline (that is, that the Euro will weaken versus the dollar), you would sell EUR now and then later you buy Euro back at a lower price and take your profits. The opposite trading scenario would occur if the EURUSD appreciates.

11.7 Superior liquidity

The foreign exchange market is so liquid that there are always buyers and sellers to trade with. The liquidity of this market, particularly with respect to that of the major currencies, helps ensure price stability and low spreads. The liquidity comes mainly from large and smaller banks that provide liquidity to investors, companies, institutions and other currency market players.

11.8 Real time streaming quotes

The Titan FX high-edge system uses the latest highly sophisticated technologies in order to offer you up-to-the-minute quotes. You may check your accounts and positions in real time and you may do so 24 hours a day on any global market which is open for trading and make a trade based on real-time information. Titan FX believes it is highly important for you to be able to control your funds whenever you wish and base your deals on real-time information.

12. Key Risks of Margin FX and CFD trading

12.1 You should be aware that trading in Margin FX and CFD products involves a number of risks. It is important that you carefully consider whether trading these products is appropriate for you in light of your investment objectives, financial situation and needs. The following is a description of the significant risks associated with trading Margin FX and CFD products:

12.2 Derivatives Risks Generally

Derivative markets can be highly volatile. Accordingly, the risk of loss in trading in derivatives contracts can be substantial. You should carefully consider whether our products are appropriate for you in light of your personal and financial circumstances. In deciding whether or not you will become involved in trading derivatives, you should be aware of the following matters:

- a. You could sustain a total loss of the amount that you deposit with Titan FX to establish or maintain a contract.



- b. If the derivatives market moves against your position, you will be required to immediately deposit additional funds as additional margin in order to maintain your position i.e. to “top up” your account. Those additional funds may be substantial. If you fail to provide those additional funds, Titan FX may close your positions. You will also be liable for any shortfall resulting from that closure.
- c. Under certain market conditions, it could become difficult or impossible for you to manage the risk of open positions by entering into opposite positions in another contract or close existing positions.
- d. Under certain market conditions the prices of contracts may not maintain their usual relationship with the underlying foreign currency market.
- e. The Margin FX and CFD products offered by Titan FX involve risk. However, the placing of contingent orders such as a stop loss order will potentially limit your loss. A stop-loss order shall be executed at or near the exchange rate requested by the client but is not guaranteed at the exact level. Accordingly, stop-loss orders may not limit your losses to the exact amounts specified. A transaction of this nature shall be executed as soon as the exchange rate is identical to the order given by the client.
- f. A “spread” position (i.e. the holding of a bought contract for one specified date and a sold contract for another specified date) is not necessarily less risky than a simple “long” (i.e. bought) or “short” (i.e. sold) position. Furthermore a “spread” may be larger at the time you close out the position than it was at the time you opened it.
- g. A high degree of leverage is obtainable in trading Margin FX and CFD products because of the small margin requirements which can work against you as well as for you. The use of leverage can lead to large losses as well as large gains. The impact of leverage is that even a slight fluctuation in the market could mean substantial gains when these fluctuations are in your favour, but that could also mean considerable losses if the fluctuations are to your detriment.
- h. As a result of high volatility, low liquidity or gapping in the underlying market, clients may receive re-quotes, slippage or hanging orders. Hanging orders are often already executed, but sit in the terminal window until they can be confirmed.
- i. Changes in taxation and other laws, government, fiscal, monetary and regulatory policies may have a material adverse effect on your dealings in Margin FX and CFD.
- j. There are no cooling-off arrangements for Margin FX and CFD. This means that when Titan FX arranges for the execution of a Margin FX and CFD contract, you do not have the right to return the product, nor request a refund of the money paid to acquire the product.



12.3 Market Volatility

Foreign exchange currency markets are subject to many influences which may result in rapid currency fluctuations and reflect unforeseen events or changes in conditions with the inevitable consequence being market volatility.

Given the potential levels of volatility in the foreign exchange markets, it is therefore recommended that you closely monitor your positions with Titan FX at all times. Foreign Exchange currency markets are highly volatile and are very difficult to predict. Due to such volatility, in addition to the spread that Titan FX adds to all calculations and quotes, no such Margin FX or CFD product offered by Titan FX, or any other financial services provider, may be considered as a safe trade.

12.4 System Risk

Operational risks in relation to the Titan FX Trading Platforms are inherent in every FX Contract or CFD. For example, disruptions in Titan FX's operational processes such as communications, computers, computer networks, software or external events may lead to delays in the execution and settlement of a transaction.

Clients receiving a disruption to the Trading Platforms must call the trading desk in order to open\close positions. In the event a disruption occurs on the Titan FX side, you may be unable to trade in a FX or CFD offered by Titan FX and you may suffer a financial loss or opportunity loss as a result.

Titan FX does not accept or bear any liability whatsoever in relation to the operation of the Titan FX Trading Platforms.

12.5 Execution Risk - Slippage

Titan FX aims to provide you with the best pricing available and to get all orders filled at the requested rate. However, there are times when, due to an increase in volatility or volume, orders may be subject to what is referred to as "slippage". This most commonly occurs during fundamental news events or gapping in the markets. The volatility in the market may create conditions where orders are difficult to execute, since the price might be many pips away due to the extreme market movement or Gapping. Execution is subject to available liquidity at any and all price levels. Although you may be looking to execute at a certain price, the market may have moved significantly or liquidity exhausted, in which instance your order would be filled at the next best price or the fair market value.

12.6 Execution Risk - Delays in Execution

A delay in execution may occur for various reasons, such as technical issues with your internet connection to the Titan FX servers, which may result in hanging orders. The Trading Platforms on your computer may not be maintaining a constant connection with the Titan FX servers due to a lack of signal strength from a wireless or dialup connection. A disturbance in the connection path can sometimes interrupt the signal, and disable the Trading Platforms, causing delays in transmission of data between your Trading Platform and Titan FX's servers.



12.7 Reset Orders

Market volatility creates conditions that make it difficult to execute orders at the given price due to an extremely high volume of orders and/or available liquidity and therefore may be reset. By the time orders are able to be executed, the Bid/Offer price at which Titan FX's counterparty is willing to take a position may be several pips away. For Limit Entry or Limit Orders, the order would be rejected and reset until the order can be filled.

12.8 Hanging Orders

During periods of high volume, hanging orders may occur. This is a condition where an order sits in the "orders" window after it has been executed. Generally, the order has been executed, but it is simply taking a few moments for it to be confirmed. During periods of heavy trading volume, it is possible that a queue of orders will form. That increase in incoming orders may sometimes create conditions where there is a delay in confirming certain orders.

12.9 Hedging

The ability to hedge allows you to hold both buy and sell positions in the same product simultaneously. You have the ability to enter the market without choosing a particular direction. While the ability to hedge is an appealing feature, you should be aware of the factors that may affect hedged positions. It is important to note that even a fully hedged account may suffer losses due to rollover costs, exchange rate fluctuations or widening spreads. Such losses may even trigger a Margin Call.

12.10 Automated Trading Strategies

The use of Automated Trading Strategies (Expert Advisors) on the Titan FX Trading Platforms is high risk. Titan FX has no control over the logic or code used by these systems to determine orders to trade. Trading with any system that you leave to run and trade your account without being present may cause significant financial loss and Titan FX does not accept or bear any liability whatsoever in relation to the operation of the Automated Strategies on the Titan FX Trading Platforms.

12.11 Execution Risk – Rollover

All the positions which remain open until 23:59 (Server time) will be subject to rollover. The positions will be rolled over by debiting or crediting the client's trading account with the amount calculated in accordance with the Rollover/Interest fees. During the rollover period trading will be disabled to prevent widened spreads caused by the "end of day" in New York. This can last for 5 to 10 minutes and you will not be able to trade at this time. You may suffer financial loss or gain as a result. Titan FX does not accept or bear any liability whatsoever in relation to the rollover period.

12.12 **Stop orders and limit orders are not guaranteed**

The placing of a stop order can potentially limit your loss, however, we do not guarantee that a stop order will do so. Similarly, a limit order can maximise your profit but there is also no guarantee of this. This is because, for example, foreign exchange markets can be volatile and unforeseeable events can occur which mean that it is possible that stop orders and limit orders may not be accepted, or may be accepted at a price different to that specified by you. You should anticipate being stopped out at or limited at a price worse than the price you set. You may suffer losses as a result.

13. Margin Obligations

13.1 Margin FX contracts and CFDs are subject to margin obligations i.e. clients must deposit funds for security/margining purposes. Accordingly, you are responsible to meet all margin payments required by Titan FX.

13.2 **Types of Margin**

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

13.3 **Initial Margin**

When you enter or open a Contract, and while that transaction remains open, you will be required to pay Titan FX the Initial Margin. This amount represents collateral for your exposure under the transaction and covers the risk to Titan FX. Depending on the Currency Pair or CFD traded, and the market volatility, the Initial Margin will typically be between 1% and 10% of the face value of the Contract. However, it is not uncommon for Initial Margins to be above this range. The percentage requirement may change at any time and at the discretion of Titan FX and you should refer to the Initial Margin schedule on the relevant Trading Platform to confirm the actual percentage requirement for your proposed transaction at any particular time. The full value of the Initial Margin is payable to Titan FX immediately upon entering the Contract.

13.4 **Variation Margin**

As the face value of your Contract will constantly change due to changing market conditions, the amount required to maintain the open positions will also constantly change. This is also commonly referred to as Variation Margin. The amount of your Margin Requirements (being the Initial Margin and any adverse Variation Margin) at any one time will be displayed in on the open positions report made available through the Trading Platform. Thus, any adverse price movements in the market must be covered by further payments from you. Titan FX will also credit Variation Margin to you when a position moves in your favour. The Variation Margin is therefore the unrealised profit or loss on your open positions which is equal to the dollar value movement of your Contract



calculated from the quoted price at which you entered the Contract compared against the current quoted price. We will provide you with notice of the Variation Margin by making a Margin Call via online platform. We note that Margin Calls are made on a net account basis i.e. should you have several open positions with respect to a particular Trading Platform, then Margin Calls are netted across the group of open positions. In other words, the unrealised profits of one transaction can be used or applied as Initial Margin or Variation Margin for another transaction.

13.5 **Notifications regarding Margin Requirements**

Margin Calls will be notified to you using the Trading Platform, and you are required to log into the system regularly when you have open positions to ensure you receive notification of any Margin Calls. It is your responsibility to actively monitor and manage your open positions and your obligations, including ensuring that you meet your Margin Requirements. It is also your responsibility to ensure you are aware of any changes in the Margin Requirements. Titan FX is under no obligation to contact you in the event of any change to the Margin Requirements or any actual or potential shortfalls in your account.

13.6 **Failing to meet a Margin Call**

If you do not meet Margin Calls immediately, some or all of your positions may be Closed Out by Titan FX without further reference to you. Titan FX will automatically, without requiring further instruction from you, apply funds to meet your Margin Requirements. For this reason, you must ensure that you have sufficient cleared funds on deposit to meet your changing Margin Requirements i.e. monies in addition to meeting the Margin Requirements as a buffer against adverse Variation Margins arising. Please be aware that if your account balance is not sufficient to meet your Margin Requirements and you have not met a Margin Call, the Trading Platform may Close Out some or all of your open positions at the risk of a generating a loss which is greater than the value of your account. Please note that this could be immediate if certain global events occur.

13.6.1 **IMPORTANT:** If you fail to meet any Margin Call, then Titan FX may in its absolute discretion and without creating an obligation to do so, Close Out, without notice, all or some of your open positions and deduct the resulting realised loss from the Initial Margin value (and any other excess funds held in your account with Titan FX). Any losses resulting from Titan FX Closing Out your position will be debited to your account and may require you to provide additional funds to Titan FX.

13.7 **How Margin Calls are to be met**

When we make a Margin Call you must deposit the amount of funds that we request into our nominated account. All funds received from clients are held, used and withdrawn in accordance with the Corporations Act requirements and our Client Services Agreement. All interest that may accrue on the client trust account is kept by Titan FX. Margin Calls must be met immediately. This means that sufficient cleared funds must be deposited in your account in addition to meeting the Margin Requirements as a buffer against adverse Variation Margins arising and thus, meeting Margin Calls immediately.



14. How Titan FX Products are traded

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

15. Electronic Trading Platform

15.1 Titan FX provides access to margin FX trading via an online trading platform created by MetaQuotes called MetaTrader. We recommend that prior to engaging in live trading you open a "demo" account and conduct simulated trading. This enables you to become familiar with the Trading Platform attributes. Titan FX has outsourced the operation of its Trading Platform to MetaQuotes – www.metaquotes.net and in doing so has relied upon these third parties to ensure the relevant systems and procedures are regularly updated and maintained. Please visit www.metaquotes.net for relevant information on how use the online platform.

16. Trading Hours

16.1 CFDs can only be traded during the open market hours of the relevant Exchange on which the Underlying Instrument is traded or during any more limited hours set from time to time by Titan FX). Open hours of the relevant Exchanges are available by viewing the relevant Exchange's website. This means that you are able to view live prices and place live orders during these hours. Outside these hours, you may still access the Trading Platforms and view your account, Market Information, research and our other services. However, there will not be any live prices or trading. It is at the sole discretion of Titan FX to provide services to you outside these hours.

17. Client Money

17.1 Monies lodged or deposited with us to meet margin requirements, are not treated as funds belonging to Titan FX but are treated as funds belonging to and held as security for the client's liabilities and obligations towards Titan FX. Client funds are at all times separate from Titan FX's operational funds. Titan FX pays no interest income on such funds.

17.2 Client funds may be deposited with a hedging counterparty or liquidity provider to maintain margin for open client positions and future dealings.

17.3 You understand that an account at Titan FX is neither a financial asset nor a means of payment. A transfer of funds to a third party is not permitted.



- 17.4 It is possible that this hedging counterparty may become insolvent whilst controlling your money. It is also possible that another of Titan FX's clients might go into deficit. Therefore any funds you may have paid to Titan FX may not be protected if there is a default in the overall client trust account balance. If this occurred, Titan FX would use its best endeavours to retrieve your funds and the funds of other clients. No assurance is given by Titan FX that there cannot be a deficit in the trust account that could cause you loss.
- 17.5 Titan FX has a comprehensive policy in place to cover a variety of different scenarios some of which may assist in the repayment of deficits. However, if Titan FX was not able to source these funds it could be that Titan FX itself was insolvent and unable to provide financial services. You could therefore become an unsecured creditor to Titan FX.

18. Risk Capital

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

19. Fees and charges

- 19.1 Titan FX offers several different trading accounts that feature different spreads and charges:

Zero Blade Accounts

Zero Blade accounts feature spreads from 0.1 pips and a commission charge per 100k traded. The charge is based on \$3.50 USD per 100k traded. For example if you are trading on an AUD based trading account and buy 0.1 lots of EURUSD and then close the trade, the commission charged to your account would be \$0.70 USD (0.1 lots of EURUSD x \$3.50 Open trade + 0.1 lots of EURUSD x \$3.50 Close trade = \$0.70).

Commission charges vary according to the base currency of your trading account. Our current commission charges are detailed on our website.

Zero Standard Accounts

Zero Standard accounts feature spreads from 1 pip and do not attract any commission charges.

CFDs

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



19.2 Roll over fee

Our swap rate for Margin FX Contracts is a variable rate that is dependent on the currency pair, the applicable swap rate in the interbank markets according to the duration of the rollover period, the size of the Position and the Titan FX Spread that is applied at our discretion. The interbank swap rate that is applied reflects the interbank market demand of the interest rate differential between the two applicable currencies. For example, if you have a long Australian Dollar / US Dollar (AUD/USD) Position and hold it over the 5PM American EST time (End of Day) and interest rates are higher in AUD than in USD, then you may receive a swap benefit. This is because you are long the highest yielding currency. Conversely, if you were short AUD/USD in the above scenario then you may receive a swap charge at the Titan FX Swap Rate. In circumstances where the two interest rates are near parity, almost equal to each other, a swap charge may be imposed for both Long and Short open positions. A double negative swap rate implies that there is no interest advantage gained by borrowing in one currency to then invest in the other.

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

19.3 Index Dividends

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

19.4 Corporate Action

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



20. Conflicts of Interest

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

21. Dispute Resolution

21.1 If you wish to make a complaint, you should contact Titan FX in the first instance.

21.2 Titan FX want to know about any problems or concerns you may have with our services so we can take steps to resolve the issue. We have internal dispute resolution procedures to resolve complaints from clients. A copy of these procedures may be obtained by contacting us and requesting a copy.

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

21.4 If you have a complaint about the financial services provided to you, please take the following steps:

1. Contact Titan FX to inform us about your complaint. You may do this by telephone, facsimile, email, online chat or letter. We undertake to address your concern as soon as we reasonably can in the most professional manner.
2. If you are dissatisfied with the outcome, you may contact the Vanuatu Financial Services Commission. Guidance for addressing complaints against a Financial Dealers notes are available on the VFSC website (www.vfsc.vu) Financial Dealers section.



www.titanfx.com