Product Disclosure Statement

Margin FX, other Contracts for Difference (CFDs)

Date of issue: 24 September 2026

RISK WARNING

CFDs are complex products and come with a high risk of losing money rapidly due to leverage. Before trading, you should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money. You should not invest in CFDs unless you have relevant knowledge and experience in CFD products and have obtained independent financial advice. Past performance is not a reliable indicator of future performance.

Overview and Important information

This Product Disclosure Statement (**PDS**) is dated September 2026 and has been prepared and issued by Zircon Financial Service (Australia) Pty Ltd ACN 672 642 054, ABN 14 672 642 054, AFSL number 562700, trading under the registered business name ZR Markets (**ZR Markets**, we, us or our), as the issuer of over-the-counter (**OTC**) derivatives, including margin foreign exchange contracts (Margin FX) and other contracts for difference (**CFDs**). This PDS is designed to assist ZR Markets' retail clients to assess whether the products described in this PDS are suitable for them having regard to their own financial objectives, needs and circumstances.

The information in this PDS is general in nature only and does not take into account your personal objectives, financial situation or needs. ZR Markets does not provide personal financial product advice - see section 7.1 of this PDS.

You should obtain independent financial, taxation and legal advice before entering into any Margin FX or other CFD transaction. ZR Markets also provides a Target Market Determination (**TMD**) to help ensure CFD trading is appropriate for you.

All Clients shall be bound by the contents of this PDS, the information in this PDS is current as of the date of issue and may be updated from time to time where that information is not materially adverse to Clients. Updated information shall be provided on our website www.zr.au

ZR Markets may issue a supplementary or replacement PDS as a result of certain changes, which shall be available on our website or shall be distributed in electronic form as required. In addition, where a material change occurs to a matter required to be disclosed in this PDS, or a significant event occurs that affects such a matter, ZR Markets will notify existing Clients of that change or event in writing, which may include by email or notification through the trading platform. Where the change is an increase in fees or charges, ZR Markets will notify you at least 30 days before the change takes effect.

Jurisdiction notice

This PDS does not constitute an offer or invitation in any place outside Australia where or to any person to whom it would be unlawful to make such an offer or invitation. The distribution of this PDS (electronically or otherwise) in any jurisdiction outside Australia may be restricted by law, and persons who come into possession of this PDS should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable law.

Distribution

If you received this PDS electronically, we can provide a paper copy free of charge upon request. For information regarding our full range of products and services, please read our Financial Services Guide (**FSG**) and visit our website. If you have any queries regarding this PDS, please contact ZR Markets.

Product warning

Margin FX and CFD products are considered speculative products which are leveraged and carry significantly greater risks than non-geared investments, such as shares. You should not invest in Margin FX or other CFD products unless you properly understand the nature of Margin FX or other CFD products and are comfortable with the attendant risks. Investing in Margin FX and CFD products involves the risk of losing more than the initial investment. Additionally, Margin FX and CFD Investors do not own or have any rights to underlying assets. You should obtain financial, legal, taxation and other professional advice prior to entering into a Margin FX or other CFD transaction to ensure this is appropriate for your objectives, needs and circumstances.

PDS interpretation

Except where specified, this PDS relates to **BOTH** Margin FX and CFD transactions simultaneously.

1. Purpose and contents of this PDS

This PDS is designed to provide you with important information regarding Margin FX and CFD transactions including the following information:

- who we are;
- how you can contact us;
- which products we are authorised to offer or utilise;
- key features/risks/benefits of these products;
- applicable fees and charges for these products;
- any (potential) conflicts of interest we may have;
- taxation considerations relevant to trading the products; and
- our internal and external dispute resolution process.

The information in this PDS is subject to change from time to time. Where changes are material, we will issue a revised or supplementary PDS to all Clients. This PDS does not constitute an offer or solicitation to any place outside Australia where or to any person to whom it would be unlawful to make such an offer or solicitation. Defined terms used in this PDS are defined in the Glossary in section 27 and throughout this PDS. If you would like further information, please ask us. Further detail about our services is available on our website www.zr.au.

2. Contact details

The Issuer/Service Provider is Zircon Financial Service (Australia) Pty Ltd ACN 672 642 054, AFSL 562700.

ZR Markets holds an AFSL (No. 562700). Under its AFSL, ZR Markets is authorised to:

(a) provide general financial product advice in relation to derivatives and foreign exchange contracts to retail and wholesale clients;
(b) deal in (including issue, apply for, acquire, vary or dispose of) derivatives and foreign exchange contracts for retail and wholesale clients; and
(c) make a market in derivatives and foreign exchange contracts for retail and wholesale clients.

You can contact our office by any of the means listed below:

Registered & business address: Level 1, 79-81 Chandos Street, St Leonards NSW 2065

Sending an email to: clientservice@zr.au

Compliance/Complaints: complaints@zr.au

Visiting our website: https://www.zr.au/

3. User Agreement

Information provided to you in our FSG, PDS and TMD is important and forms part of ZR Markets' disclosure and policy information. Additional legal terms governing our relationship are detailed in the User Agreement, which together with the Account Opening Application Form, Risk Warning Notice, Website Terms and Conditions, and any other additional terms accepted by you, form the 'Agreement'. You must agree to the User Agreement and have your account approved by ZR Markets. ZR Markets reserves the right to refuse to open a Margin FX or other CFD account for any person. ZR Markets accepts Margin FX and CFD transaction order instructions primarily via the electronic trading platform but may also accept order instructions via telephone, at ZR Markets' discretion. You are required to access the electronic trading platform on a daily basis to confirm that any order instructions have in fact been received by us, reconfirm all orders that you place with us, and review order confirmations we provide, to ensure their accuracy and monitor your Margin obligations. Any order discrepancies identified must be reported to us immediately. ZR Markets will provide all Clients, via the electronic trading platform or the website, with access to both daily and historical account statements allowing you to check your open positions, Margin requirements, cash balances, and trading confirmations. Should you have any queries relating to your statements we encourage you to contact us.

ZR Markets does not guarantee the performance, return of capital from, or any particular rate of return, of a Margin FX or other CFD product or transaction. Please note that the examples provided in this PDS are provided for illustrative purposes only and do not necessarily reflect current or future market or product movements, the values that ZR Markets will apply to a trade, nor how such trades may impact your personal circumstances. The figures used in the examples do not necessarily reflect your personal circumstances and do not restrict in any manner the way in which ZR Markets may exercise its powers or discretions. The examples in this PDS also do not constitute general or personal financial product advice to any person reading this PDS.

4. Margin FX and other Contracts for Difference summary

The following summary table is provided for ease of reference. However, please ensure that you read this PDS in its entirety.

Issuer

Zircon Financial Service (Australia) Pty Ltd ACN 672 642 054, ABN 14 672 642 054, AFSL 562700 (ZR Markets). ZR Markets is the issuer of this PDS and of all CFD and Margin FX products described in it.

Products offered

Margin FX contracts (over major and minor currency pairs and precious metals pairs including XAU/USD and XAG/USD) and CFDs over shares, indices, commodities and treasuries. All products are OTC derivatives. No physical delivery of the underlying asset occurs.

Fees and spread

No separate commission or transaction fee is charged. ZR Markets earns a spread embedded in the buy/sell price quoted to you. Additional fees that may apply include:

(a) overnight Premium (Rollover Interest, being swap interest on positions held open past 5:00 pm New York time);

(b) Dormant Account Fee (AUD $25 p.a. after 12 consecutive months without login); and

(c) a Conversion Fee of up to 3% where currency conversion is required. See section 15 for full details.

Account opening

Retail client services are available to Australian residents only. You must read the FSG, PDS, Risk Warning Notice and User Agreement, and have your account approved by ZR Markets. You must meet all eligibility criteria (including age 21–75, financial thresholds, risk profile, and prior CFD experience) and pass ZR Markets' Knowledge Test (10 questions, 80% pass mark). A maximum of 2 test attempts are permitted; a failed second attempt results in a 6-month lockout. See sections 5 and 6 (Benchmark 1) for full details.

Placing orders

Orders are placed electronically via the MT5 trading Platform. Telephone orders may be accepted at ZR Markets' discretion. You can open long (buy) or short (sell) positions and close them by taking the equal and opposite position. See sections 12.3 and 12.4 for further details.

Margin

An Initial Margin (a percentage of the contract value) is required to open and maintain a position. A Variation Margin reflects unrealised profit or loss. If your net equity falls to or below 80% of the Initial Margin, a margin call is issued. If net equity falls below 50% of aggregate Initial Margin, ZR Markets is required by law to close out all open CFD positions. Retail clients benefit from negative balance protection - losses are capped at the funds in the trading account. See sections 16.1–16.6 for full details.

Funding your account

Accounts are denominated in AUD or USD. Deposits may be made by bank transfer, credit card or e-wallet. Cash deposits are not accepted. Withdrawals are made to the nominated bank account after all margin obligations are met. See section 18.

Financing charges

Positions held open overnight attract a Premium (swap interest) based on the interest rate differential of the relevant currencies. Three nights' premium applies to positions held over weekends. No interest is charged if a position is opened and closed on the same day. See section 15.

Key risks

CFDs and Margin FX are highly leveraged products. You may lose more than your initial investment. Key risks include: leverage risk, market risk, gapping, margin/variation margin risk, liquidity risk, counterparty credit risk, electronic platform risk, regulatory risk and no cooling-off period. Retail clients benefit from negative balance protection. See section 14 for full risk disclosure.

Tax

Margin FX and CFD transactions may have income tax, CGT and GST implications. The tax consequences depend on your individual circumstances. ZR Markets recommends you obtain independent taxation advice. See section 22.

ZR Markets' powers on default

ZR Markets has extensive rights under the User Agreement to close out positions, terminate accounts and cancel orders on the occurrence of a default event (including failure to meet a margin call). See section 16 for more details.

Further information

This summary is for ease of reference only. Please read this PDS in its entirety before making any decision to open an account or trade.

5. Client Account Types

ZR Markets offers accounts to retail clients and, where eligible, wholesale clients as classified under the Corporations Act. The key differences in the protections available to each client type are set out below.

PDS and FSG provided

Retail Client: Yes
Wholesale Client: Not required by law (but FSG may be provided at ZR Markets' discretion)

TMD applies

Retail Client: Yes
Wholesale Client: No

Negative balance protection

Retail Client: Yes - losses capped at the funds in the Client Account
Wholesale Client: No - losses may exceed the funds in the Client Account

Leverage limits (ASIC Order)

Retail Client: Yes - as set out in section 16 of this PDS
Wholesale Client: May differ by agreement with ZR Markets, subject to Applicable Regulations

Inducements prohibited

Retail Client: Yes
Wholesale Client: Inducement prohibition does not apply

Knowledge Test and eligibility assessment

Retail Client: Required - see section 6 (Benchmark 1)
Wholesale Client: Appropriateness assessment may apply at ZR Markets' discretion

6. ASIC Regulatory Guide 227 Disclosure Benchmarks

ASIC Regulatory Guide 227 requires Margin FX and CFD issuers to address seven disclosure benchmarks on an 'if not, why not' basis. These benchmarks are designed to help you understand and assess the key risks of trading OTC derivatives. The list below sets out ZR Markets' position against each benchmark, with a cross-reference to where fuller information appears in this PDS.

Benchmark 1 – Client qualification: Yes

ZR Markets maintains and applies a written Client Onboarding and Qualification Assessment Process setting out the criteria prospective Clients must satisfy before an account can be opened. All prospective retail Clients must:

(a) reside in Australia and be aged between 21 and 75;
(b) meet ZR Markets' internal financial thresholds for annual income and liquid assets;

(c) possess sufficient wealth that a complete loss of their investment would not materially impact their standard of living;
(d) not derive income predominantly from government benefits;
(e) have a high investment risk tolerance or intend to use CFDs for hedging;
(f) have some prior CFD or derivative trading experience;
(g) fall within ZR Markets' target market as described in the TMD; and
(h) pass ZR Markets' mandatory Knowledge Test (10 questions from a bank of 100, minimum pass mark of 80%).

A maximum of 2 test attempts are permitted. An applicant who fails on the first attempt may retake after 48 hours; failure on the second attempt results in a 6-month lockout. See section 5 (Client Account Types) for further details of the qualification process and the differences in protections available to retail and wholesale clients.

Benchmark 2 – Opening collateral: No

Why ZR Markets does not meet this benchmark**:** ZR Markets does not impose a $1,000 limit on credit card deposits (as suggested by ASIC Regulatory Guide 227). This is to give you ready access to maximum funding, flexibility and liquidity - for example, in the event you urgently need to open a hedge position or require additional margin to avoid a position being liquidated.

What this means for you: Using a credit card to fund your margin requirements involves 'double leverage' - you are funding a leveraged product using borrowed money. This exposes you to a greater risk of financial difficulty than funding with cash. Please note that your preferred method of funding is entirely a matter for you, as ZR Markets does not provide personal financial product advice that takes into account your personal circumstances, financial situation or objectives. ZR Markets only permits Clients to open an account and trade with cleared funds (i.e. a transfer of cash from your bank account to your trading account). An account may be opened with a cash transfer from your bank account or with a credit card.

No other financial products will be accepted as collateral to open a trading account, although ZR Markets may accept such collateral to meet subsequent Margin Calls in special agreed circumstances. ZR Markets will only act on funds that have cleared, and recommends that you maintain sufficient Margin in your account at all times to maintain your open positions.

Benchmark 3 – Counterparty risk – hedging: Yes

ZR Markets maintains and applies a written policy to manage its exposure to market risk from Client positions. ZR Markets employs a hybrid A-book / B-book model; the allocation between the two is determined dynamically by reference to ZR Markets' risk limits and market conditions, rather than a fixed target, and is reviewed monthly by the Risk Committee. Counterparty selection is based on regulatory standing, financial strength, compliance framework and operational capacity. ZR Markets does not use retail Client money to fund its hedging activities. Full details of ZR Markets' hedging model, counterparty selection criteria, current counterparty panel, and governance arrangements are set out in section 12.3 of this PDS.

Benchmark 4 – Counterparty Risk – Financial Resources: Yes

ZR Markets maintains and applies a written policy to ensure it holds adequate financial resources and meets the financial requirements of its Australian Financial Services Licence. That policy sets out how ZR Markets meets its financial requirements, including how it conducts stress testing to ensure it holds sufficient liquid funds to withstand significant adverse market movements.

In practice, financial resources are monitored and reported internally on a daily basis. Further compliance oversight is conducted on a regular basis and an external audit is conducted annually. ZR Markets performs a daily adjusted surplus liquid funds calculation to ensure it meets the minimum liquid capital requirement set by ASIC, and a daily client cash segregation calculation to ensure it holds adequate cash in its client trust account to meet its obligations to Clients. In the event that a financial resources obligation is not met, an internal escalation process will be adopted along with any applicable regulatory breach reporting obligations.

You may assess ZR Markets' ability to meet its financial obligations by reviewing its annual financial statements, which are available free of charge upon request by contacting us using the details in section 2 of this PDS.

An annual independent audit of ZR Markets' dealing operations and financial controls is conducted by LNP Audit and Assurance Pty Limited (Sydney).

Benchmark 5 – Client money: Yes

ZR Markets maintains and applies a clear written policy with regard to the use of Client money. Client money is held in one or more segregated trust accounts separate from ZR Markets' own monies, in accordance with the Corporations Act. Retail and sophisticated investor Client money is not used to margin, guarantee, secure, transfer, adjust or settle dealings in derivatives by ZR Markets or on behalf of persons other than the Client.

ZR Markets does not use retail Client money from a Client money account for the purpose of meeting obligations incurred in connection with its own hedging or risk management activities. ZR Markets may on-forward Client money to third-party clearing and execution providers solely to facilitate settlement of a Client's own transactions and margin obligations. Holding money in segregated accounts may not afford absolute protection in all circumstances. See section 21 for ZR Markets' full Client money policy.

Benchmark 6 – Suspended or halted underlying assets: Yes

ZR Markets maintains and applies a written Hedging Policy, available at www.zr.au, which outlines the activities it undertakes to mitigate market and counterparty risk. Where an underlying financial product is the subject of a trading halt or suspension on the relevant exchange for more than 5 Business Days, ZR Markets reserves the right to close positions in the relevant CFD at a price it considers fair value in the circumstances. ZR Markets will use reasonable endeavours to notify affected clients before exercising this right but reserves the right to act without prior notice where market conditions require it. ZR Markets may at any time, in its absolute discretion, determine not to permit the entry into CFDs or Margin FX transactions over one or more underlying instruments. See section 12.3 for further details.

Benchmark 7 – Margin calls: Yes

ZR Markets maintains a written margining policy, detailed in section 16 of this PDS and the User Agreement. Margin calls are automatically generated by the MT5 platform. The margin call level is set at 80% of available equity. If the Client's net equity falls below 50% of the aggregate Initial Margin, ZR Markets is required by law to close out all open CFD positions as soon as market conditions allow. All open positions are monitored on a real-time intraday basis. Margin call notifications are communicated via the trading platform. Retail Clients benefit from negative balance protection - losses are capped at the funds in the CFD trading account. See section 16 for full details of ZR Markets' margining practices, margin call process and close-out rights.

7. Nature of advice / relationship

7.1 General advice only

ZR Markets is authorised to buy and sell Margin FX and CFD contracts and to give general advice in relation thereto. All representations you receive from ZR Markets during the course of our relationship will be either general information or general advice – we will not consider your personal financial situation, needs or objectives.

Market commentary and other information we make available through the Platform or our website is also general information only and should not be construed as financial advice tailored to your circumstances. You should obtain your own professional advice to ensure you fully understand the nature and risks of these products before making any decision to acquire them.

7.2 Trading as principal - no exchange guarantee

A CFD or Margin FX contract is a contract between you and ZR Markets. Both parties act as principals and have a direct credit exposure to each other. You do not trade through an Exchange and are not afforded the protections normally associated with exchange-traded derivatives, such as guarantee arrangements. See section 12.1 for full details of how ZR Markets acts as market maker and principal to all transactions.

You must carefully consider whether CFDs or Margin FX contracts are appropriate for you in light of your financial circumstances, experience and investment objectives. Please refer to section 14 for a full description of the key risks of trading Margin FX and other CFD contracts, and section 16 for details of margin obligations.

8. Margin FX contracts offered by ZR Marketsa

Please note: this section applies to Margin FX ONLY

Margin FX contracts provided by ZR Markets are available in pairs of currencies (major and minor currency pairs) as well as precious metals pairs, including XAU/USD (gold) and XAG/USD (silver). All major currency pairs are available. However, some of the minor or more exotic currency pairs cannot be traded with ZR Markets. Please check our website for up-to-date information regarding which currency and precious metals pairs are currently available.

ZR Markets' Margin FX products do not result in the physical delivery of the currency or precious metal but are cash adjusted or closed by the Client taking an offsetting opposite position i.e. there is not a physical exchange of one currency for another. Margin FX products are derivatives, not foreign exchange contracts. Positions will always be closed and the Client's account will be either credited or debited according to the profit or loss of the trade.

9. Purpose of trading Margin FX contracts

Please note: this section applies to Margin FX ONLY

People who trade in Margin FX contracts may do so for a variety of reasons. Some trade for speculation, that is, with a view to profiting from fluctuations in the price or value of the underlying instrument or currency. For example, Margin FX traders may be short-term investors who are looking to profit from intra-day and overnight market movements in the underlying currency. Margin FX 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.

Others trade Margin FX to hedge their exposures to the underlying currency. Foreign exchange exposures may arise from a number of different activities. 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; or 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. Currency risk is the risk that arises from international business which may be adversely affected by fluctuations in exchange rates. ZR Markets 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. Note: The risk of loss in trading in derivatives and/or leveraged products can be substantial. A Client should carefully consider whether trading such products is appropriate for them in light of their financial circumstances, needs and objectives. Please refer to section 17 for worked examples.

10. CFD contracts offered by ZR Markets

Please note: this section applies to **CFDs ONLY**

A CFD is an over-the-counter derivative product comprising an agreement under which one party is entitled to be paid an amount of money (profit), or has to pay an amount of money (loss), resulting from movements in the price or value of an underlying instrument or security (without actually owning that underlying instrument or security). This transaction concludes with the parties settling the difference between the purchase price and the sale price.

During the term of the CFD transaction, the price of the underlying product will be marked-to-market daily so that at the end of each Business Day, a payment will generally have to be made by you to ZR Markets or by ZR Markets to you, to reflect any changes in the value of the underlying product during that Business Day.

Please refer to **Section** 17 for worked examples.

ZR Markets offers CFDs in relation to shares, Indices, Commodities and Treasuries, and these are explained in detail in the sections below:

10.1 Share CFDs

ZR Markets deals in CFDs in respect of underlying securities which are quoted and traded on global exchanges. CFDs allow you to receive many of the benefits of owning the underlying security on which the CFD is based, without physically owning it. The difference between the opening and closing price of a CFD is settled in cash. At no stage do you take delivery of the underlying security.

CFDs are an alternative medium to short term trading solution that provide many of the benefits associated with dealing in shares, without having to physically own them. The holder of a CFD can open a leveraged 'long' or 'short' position without having to take or make delivery of the underlying security. In order to open a CFD position an Initial Margin must be provided as collateral.

All open positions are marked-to-market based on the price of the underlying security with profits or losses being debited or credited intra-day. As holders of CFDs do not own the underlying security on which they are based, they have no right or obligation to acquire or deliver the security itself.

Dividend Adjustments

Where you hold an open Share CFD position over an ex-dividend date, an adjustment will be made to your account to reflect the dividend declared on the underlying security:

(a) Long positions: your account will be credited with an amount equivalent to the net dividend (after applicable withholding tax) on the underlying security.

(b) Short positions: your account will be debited with an amount equivalent to the gross dividend on the underlying security.

These adjustments are applied to your account on or around the ex-dividend date and are reflected in your account statement. Dividend adjustments are not guaranteed and the amounts actually credited or debited may differ from the declared dividend due to applicable taxes, corporate actions or other adjustments. You do not acquire any shareholder entitlements or rights through holding a Share CFD.

10.2 Corporate Actions

Any adjustment relating to corporate actions, such as share reconstructions and bonus issues with respect to the underlying security on which the CFD is based, ordinarily will also be applied to your CFD position.

10.3 Rights relating to adjustments - ZR Markets' discretion

An adjustment event includes a delisting or corporate action (such as a capital reconstruction, rights or bonus issue, takeover or insolvency). In the event of an adjustment event occurring, ZR Markets reserves the right to adjust the terms of your CFD or order, or not make the adjustment to the relevant CFD if it is not reasonably practicable. ZR Markets may elect to close your CFD position in the event of the underlying securities being subject of a takeover offer, prior to the closing date of the offer.

10.4 Voting Rights

ZR Markets will not pass on any voting rights we may receive in connection with ZR Markets holding the underlying security to which your CFD relates and will not accept any instructions in relation to them.

10.5 Commodity CFDs

ZR Markets offers a range of CFDs in respect of commodities. Available commodity CFDs are listed on the trading platform. Commodity CFDs allow you to speculate on the price of a commodity, or hedge an exposure, without physically owning it. The difference between the opening and closing price of a CFD is settled in cash. At no stage do you take delivery of the underlying commodity. In order to open a CFD position an Initial Margin must be provided as collateral. Where a commodity CFD is based on an underlying futures contract, the CFD will have an expiry date corresponding to the relevant futures contract. Prior to expiry, ZR Markets may, in its discretion, automatically roll your open position to the next contract period. Where a rollover occurs, an adjustment may be applied to your account to reflect the difference between the expiring contract price and the new contract price. Please refer to the trading platform and our website for details of which commodity CFDs may be subject to automatic rollover and the applicable rollover adjustment methodology.

10.6 Index CFDs

ZR Markets offers CFDs in respect of a range of Indices, thereby allowing you to take positions in relation to the overall direction of a market without taking a view on a particular underlying stock or future. A short position can be used as a rough hedge to protect a diversified share portfolio in the event of a market fall. Please refer to the website for the range of index CFDs currently available.

The difference between the opening and closing price of a CFD is settled in cash. At no stage do you take delivery of the underlying product.

10.7 Treasury CFDs

ZR Markets deals in CFDs in respect of treasury instruments, including government bonds and interest rate products which are quoted and traded on global markets. Treasury CFDs allow you to speculate on the price of treasury instruments, or hedge an exposure to interest rate movements, without physically owning the underlying instrument. The difference between the opening and closing price of a CFD is settled in cash. At no stage do you take delivery of the underlying treasury instrument. The available treasury CFDs are listed on the trading platform. Please refer to the website for up-to-date information on available treasury CFD products.

11. Purpose of trading CFD contracts

Please note: this section applies to CFDs ONLY

People who trade in CFD contracts may do so for a variety of reasons. Some trade for speculation, that is, with a view to profiting from fluctuations in the price or value of the underlying instrument. For example, CFD traders may be short-term investors who are looking to profit from intra-day and overnight market movements in the underlying instrument. CFD traders may have no need to sell or purchase the underlying instrument themselves but may instead be looking to profit from market movements in the instrument concerned. Others trade CFD to hedge their exposures to the underlying instrument.

12. Margin FX and other CFD product features

12.1 ZR Markets Trading as Principal

ZR Markets will regularly state, via the electronic trading platform, the price at which it is prepared to deal with you as principal. This is known as being a ‘market maker’. When dealing in Margin FX and other CFDs, as with all over-the-counter derivatives, ZR Markets is the issuer and a market maker, **not** a broker.

Accordingly, each transaction agreed and entered into with you will be entered into as principal, not as agent. ZR Markets is the counterparty to every Client transaction and each contract purchased (or sold) by you is an individual agreement made between you and ZR Markets. As an OTC product, you cannot trade with another provider to close any Margin FX or CFD opened with ZR Markets.

Because ZR Markets acts as principal and market maker, its prices may differ from prices quoted in the underlying market, and ZR Markets may profit from the spread applied to those prices. The conflicts of interest that arise from ZR Markets’ role as market maker and principal, and how those conflicts are managed, are disclosed in section 23 (Disclosure of Interests) of this PDS.

12.2 Group structure and support arrangements

ZR Markets is a wholly-owned subsidiary within the Zircon Financial Group. Its related entity, Zircon Securities (Hong Kong) Co., Limited (Zircon HK), and the Group's ultimate parent, ZR Singapore, are separate entities within the same corporate group. ZR Markets benefits from shared technology infrastructure provided by Zircon HK and ZR Singapore. Notwithstanding this arrangement, ZR Markets is the issuer of all financial products described in this PDS and bears sole responsibility for the financial services it provides to you. Zircon HK and ZR Singapore have no direct contractual relationship with Clients and do not issue any financial product. All financial services regulatory obligations under ZR Markets' AFSL rest with ZR Markets. Neither Zircon HK nor ZR Singapore guarantees, underwrites or otherwise provides security for any financial product issued by ZR Markets, and no representation to that effect should be inferred from their involvement in providing shared technology infrastructure.

12.3 Hedging and counterparty risk management

This section sets out the full details of ZR Markets' approach to hedging and market risk management, and constitutes ZR Markets' disclosure against RG 227 Benchmark 3 (Counterparty risk - Hedging) for the purposes of this PDS.

Hedging model

ZR Markets does not apply a fixed or pre-set target for the proportion of its CFD business volume hedged externally (A-book) versus internalised (B-book). The allocation between A-book and B-book, both overall and by asset class, is determined dynamically in response to ZR Markets' net open position limits, aggregate exposure limits, counterparty concentration limits, liquidity, and prevailing market conditions.

This allocation is reviewed by the Risk Committee as a standing item at its monthly risk meeting. As a general guide, A-book treatment is applied more commonly to highly liquid underlying assets such as major foreign exchange pairs, where external hedging is operationally efficient, while B-book treatment is applied more commonly to less liquid underlying assets or where internalisation is consistent with ZR Markets' risk appetite as assessed by the Risk Committee from time to time.

Counterparty selection criteria

ZR Markets conducts due diligence on prospective hedging counterparties before entering into any arrangement with them. The factors ZR Markets considers when assessing whether a counterparty is of sufficient financial standing include:

(a) the counterparty's regulatory status and whether it holds appropriate licences and authorisations in the relevant jurisdiction;
(b) the strength of the counterparty's balance sheet and whether it has sufficient financial resources to service ZR Markets' anticipated trading volumes;
(c) the counterparty's compliance framework and its approach to managing conflicts of interest;
(d) the counterparty's operational and technological capacity to meet ZR Markets' execution requirements; and
(e) the counterparty's pricing competitiveness, liquidity depth and track record of execution quality.

Current hedging counterparty panel

As at the date of this PDS, ZR Markets' panel of liquidity providers used as hedging counterparties includes the following:

(a) Finalto (comprising Finalto (BVI) Ltd and Finalto Asia Pte Ltd) - primary hedging counterparty. Finalto is an arms' length third party with no shared management, ownership or employees with ZR Markets.
(b) xSyphon Ltd - secondary hedging counterparty. xSyphon Ltd is an arms' length third party with no shared management, ownership or employees with ZR Markets.
(c) AT Global Markets Intl Ltd (ATFX) - secondary hedging counterparty. ATFX is an arms' length third party with no shared management, ownership or employees with ZR Markets.

ZR Markets reserves the right to add, remove or replace counterparties from time to time as part of its ongoing due diligence process. This PDS will be updated if there is a material change to the counterparty panel. Where market conditions or liquidity constraints prevent hedging with a counterparty, ZR Markets reserves the right to amend the terms of a CFD or Margin FX contract, reject new orders, or close out existing open positions in accordance with the User Agreement and Applicable Regulations.

Client money - hedging

ZR Markets does not use retail Client money from a Client money account for the purpose of hedging with its liquidity providers or for its own capital purposes, in accordance with Regulation 7.8.02A of the Corporations Regulations 2001 (Cth) and RG

212.32. Hedging activities with liquidity providers are funded from ZR Markets' own capital and operating funds, not from the Client trust account.

Governance and oversight

All open Client positions are monitored on a real-time intraday basis. The Risk Committee, comprising the CEO, Chief Dealing Officer and Compliance and Risk Manager, meets monthly to review dealing operations, risk metrics and the effectiveness of hedging strategies, and reports quarterly to the Board. An annual independent audit of ZR Markets' dealing operations is conducted by LNP Audit and Assurance Pty Limited (Sydney).

12.4 Long & Short Positions

You can open both long and short Margin FX and CFD positions with ZR Markets. Should you open a long position, your intention would be to profit from a rise in the price of the underlying instrument, and you would suffer a loss should the price of the underlying instrument fall. Conversely, should you open a short position, your intention would be to profit from a fall in the price of the underlying instrument, and you would suffer a loss should the price of the underlying instrument rise.

In order to close an open long or short position, you would open an equivalent offsetting position on the MT5 trading platform. The closure of a position will generally result in a profit or loss being realised in your account. Should you wish to close only part of your open long or short position you can do so by entering into an equivalent offsetting position of a lesser amount than your current open position.

Many Margin FX and other CFDs do not have an expiry date. They remain open until they are closed in accordance with the terms of the User Agreement. To close a Margin FX or other CFD position, you must access the MT5 trading platform to determine the current market price for the underlying instrument and place the relevant closing instruction. ZR Markets will confirm the current market price and you will then decide whether to accept the price and close your open position accordingly.

You should note that ZR Markets is not obliged to accept your orders. Typically, this would occur should you exceed the limits imposed on your account by ZR Markets, or where there are insufficient funds in your account to meet your Margin obligations. ZR Markets cannot predict future exchange rates and our rate quotations are not a forecast of where we believe a foreign exchange rate will be at a future date. ZR Markets calculates foreign exchange rates taking into consideration the current spot “interbank” exchange rates and the amount of currency that you wish to buy or sell.

The rates quoted for a Margin FX or other CFD by ZR Markets include a spread which usually favours ZR Markets. This spread is not an additional charge or fee payable by you. These spreads will differ depending on the Margin FX and other CFD traded. When trading ZR Markets products you should always be aware of the risks and benefits as detailed in this PDS.

12.5 Electronic Platform

ZR Markets provides an electronic trading platform (the MT5 platform) which enables Clients to trade in Margin FX and other CFD products via direct online access to ZR Markets’ quoted rates. The platform is the primary means by which orders are placed, confirmations are received, and account statements (including open positions, margin requirements and cash balances) are accessed. The detailed terms of use applicable to the platform are set out in the User Agreement.

Clients are responsible for monitoring their accounts and open positions via the platform on a daily basis when they have open positions. You must ensure that your login credentials remain confidential and that you notify ZR Markets immediately of any suspected unauthorised access to your account. You are responsible for ensuring that you have access to a device and internet connection capable of accessing the platform at all times when you have open positions.

ZR Markets does not warrant that access to or use of the platform will be uninterrupted or error-free. In unforeseen or extreme market conditions, ZR Markets reserves the right to suspend the operation of the platform, or any part of it, and may close out open contracts at prices it considers fair and reasonable at that time. Where the platform is unavailable, Clients may be able to place orders by telephone at ZR Markets’ discretion. Stop-outs (automatic closing of a position when margin calls have not been met) are implemented on the platform in accordance with the ASIC Order.

Please also refer to the 'Electronic Trading Platform Risk' row in section 14 of this PDS and to the User Agreement for the full terms and conditions governing use of the platform.

12.6 Expiry of contracts

Many Margin FX and CFD contracts do not have an automatic rollover - they expire on the stated expiry date, and Clients must open new positions each contract period. The expiry date of each contract will be shown on the trading platform as part of the contract details. Expiry dates are set at our sole discretion. It is your responsibility to take note of your contract's expiry date and time. If you do not close an open position prior to its expiry date and time, the contract will automatically terminate on that day and time, at the last price quoted on the trading platform immediately prior to the applicable expiry date and time. Please note that for certain futures-based CFD products (including certain index CFDs and commodity CFDs), ZR Markets may, in its discretion, automatically roll a position to the next contract period. Where a rollover occurs, an adjustment may be applied to your account to reflect the difference between the expiring contract price and the new contract price. Please refer to the trading platform and our website for details of which products may be subject to automatic rollover.

13. Key benefits of trading Margin FX and other CFD contracts

The table below summarises the key benefits of Margin FX and CFD products offered by ZR Markets. Where relevant, a comparison is also provided against exchange-traded derivatives, to assist you in understanding the distinguishing features of OTC products. Unlike exchange-traded derivatives, ZR Markets' OTC CFDs and Margin FX products:

(a) are not traded on a licensed exchange or subject to exchange guarantee arrangements;
(b) involve ZR Markets as your direct contractual counterparty for every transaction; and
(c) may be closed only by transacting with ZR Markets (they are non-transferable).

These differences are relevant to your assessment of counterparty risk and product suitability. Please read section 14 (Key risks) carefully before making any trading decision.

Margin FX and CFD products can provide an important risk management tool for those who manage foreign currency exposures. The significant benefits of using Margin FX or other CFD products as risk management tools are to protect your exchange rate and provide cash flow certainty. Other benefits of using these products apply equally for a Client as a risk management tool or for the Client who is a trader or speculator. The benefits of trading Margin FX and CFD contracts are described below.

Protect an Exchange Rate (Margin FX: **Yes** · CFDs: **Yes**)

ZR Markets provides an electronic trading platform, enabling Clients to trade in over-the-counter (as opposed to exchange-traded) derivatives such as Margin FX or other CFD contracts 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.

ZR Markets 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.

Provide Cash Flow Certainty (Margin FX: **Yes** · CFDs: **No**)

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 ZR Markets product would be offset against the higher (or lower) price you physically have to pay for the foreign currency. In addition to using Margin FX products as a risk management tool, Clients can benefit by using Margin FX products offered by ZR Markets 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.

Leverage (Margin FX: **Yes** · CFDs: **Yes**)

Margin FX and other CFDs are leveraged investments and trading instruments. While leverage can magnify losses, it can also magnify profits. Leverage allows Clients to take larger exposures, to more markets, than cash investors using the same capital base. Leverage also means that Clients can employ more investment and trading strategies than 'long only' investors. These include trading 'pairs', trading across asset classes, going short and taking exposures around short term events.

Trade in Small Amounts (Margin FX: **Yes** · CFDs: **Yes**)

The electronic trading platform enables you to make transactions. The minimum initial deposit required to open and activate an account is specified by ZR Markets from time to time and is available on our website at https://www.zr.au/. When trading in a Margin FX or other CFD contract offered by ZR Markets you may deposit the sum that suits you, or the amount which is in line with the amount you are willing to risk. With ZR Markets you are in full control of your funds.

Access to the Foreign Exchange Markets at Any Time (Margin FX: **Yes** · CFDs: **No**)

When using ZR Markets 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 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.

Hedging (Margin FX: **Yes** · CFDs: **Yes**)

CFDs and Margin FX contracts can be used to hedge investments and reduce existing market risk. Clients can hedge directly, on a portfolio basis, or to cover specific risks of investments.

Lower Costs (Margin FX: **No** · CFDs: **Yes**)

Generally, CFD exposures come at lower transaction costs than the same exposure taken in the Underlying Instruments. Clients pay no ZR Markets fees to open or maintain a trading account.

Real Time Streaming Quotes (Margin FX: **Yes** · CFDs: **Yes**)

The electronic trading platform 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 (in most circumstances) on any global market which is open for trading and make a trade based on real-time information. ZR Markets 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.

14. Key risks of trading Margin FX and other CFD contracts

Trading in Margin FX and other CFD products carries a high level of risk and returns are volatile.

The risk of loss in trading can be substantial, and you can lose more than the capital invested. You should obtain independent professional advice and carefully consider whether Margin FX or other CFD products are appropriate for you in light of your knowledge, experience and investment objectives, financial needs and circumstances. It is also important that you read and understand the terms and conditions of trading in the User Agreement and this PDS before entering into any Margin FX or other CFD transactions. Some of the key significant risks involved in Margin FX and CFD trading include, but are not limited to, the following:

Macro-economic Risk

The general state of the Australian and international economies as well as changes in taxation policy, monetary policy, interest rates and statutory requirements are some of the factors which may influence the progress of currency markets.

Market Risk

This is the risk that markets may move in a direction that is not anticipated. External market forces can cause markets and prices to change quickly. Such forces include:

(a) changing supply and demand relationships;
(b) governmental, agricultural, commercial, trade programs and policies;

(c) national and international political and economic events; and
(d) the prevailing psychological characteristics of the marketplace.

As the price of your position is based on an underlying asset, these factors may affect your position and our ability to execute, settle or close out transactions on your behalf.

Gapping

In fast moving or illiquid markets 'gapping' may occur. Gapping occurs when market prices do not follow a 'smooth' or continuous trend and are typically caused by external factors such as world, political, economic, and corporate related events.

Should gapping occur in the underlying asset on which your product is based, you may not be able to close out your position or open a new position at the price at which you have placed your order. Further, in instances of 'gapping' any conditional orders opened on your account, these orders will be filled at the next best available price which may be substantially different from the price selected when entering your conditional order.

Variation Margin

Should the price of the underlying asset on which your product is based move against you, you may receive a Margin Call from us and, at short notice, be required to deposit a Variation Margin into your account in order to maintain your position.

Should we make a Margin Call which may be substantial, you must deposit the amount of funds that we request into your account immediately. In the event of you failing to make Margin payments we may reduce or, as required by the ASIC Order, close all your open positions without further notice. You will be liable for any shortfall.

Positions are marked-to-market on a daily basis, with payments being settled daily to account for market movements. You must be in a position to fund such requirements at all times. Initial and Variation Margin must be paid immediately after the Margin Call.

The general policy of ZR Markets is that payment of the Margin Call must be received within 24 hours of the call although in times of extreme price volatility this may mean as little as 1 hour. In rare circumstances, the markets could move against your position giving ZR Markets no time to make a Margin Call on you to request additional funds for ZR Markets to protect its positions. In this situation, as mandated by the ASIC Order, ZR Markets will terminate your open positions, and any other open positions as required.

Leverage

As Margin FX and other CFD products are highly leveraged, a small price movement in the underlying asset in which they are based can result in substantial profits or losses exceeding your Initial Margin. Therefore, you could be required to pay further funds representing losses and other fees on your open and closed positions. However, the recourse of ZR Markets to recover those losses are limited to the money held in your Client account and trading accounts.

The prices of our products may be volatile and fluctuate rapidly over wide ranges.

Price fluctuations may be as a result of uncontrollable events or changes in a variety of conditions as described above in Market Risk.

Below is a hypothetical example of how gearing (leverage) magnifies losses/profits (without taking into account fees & charges):

Item	Share purchase amount	CFD purchase amount
Initial outlay	$10,000	$10,000 (as initial margin)
Reference shares purchased	1000	5,000
Initial price	$10.00	$10.00
Value	$10,000.00	$50,000
Gearing	0%	80%
Share result where share price falls	Share price falls to $8.75. Shares now worth $8,750 (i.e. loss of $1,250 or -12.5%)	Share price falls to $8.75. CFDs now worth $43,750 (i.e. loss of $6,250 or -62.5% on original outlay of $10,000)
Share result where share price rises	Share price rises to $11 Shares now worth $11,000 (i.e. profit of	Share price rises to $11 CFDs now worth $55,000 (i.e. profit of $5,000 or

	$1,000 or +10%)	+50% on original outlay of $10,000)

Liquidity

Under certain conditions, it may be difficult or impossible to close out a position. This can occur when there is significant change in the price of the underlying asset over a short period of time.

Stop Loss Orders Unavailable

Certain products can be traded in conjunction with our limit and stop loss orders which are designed to either optimise your exposure to the market or limit your loss by instructing that trades be executed at pre-determined price levels. Stop losses are instructions placed by the Client with ZR Markets to close out an open position if a market trades through a specific level. Stop loss orders are often used to attempt to limit the amount which can be lost on a position. We note that stop losses are not guaranteed and the execution of such orders will depend on market volatility and liquidity.

So, whilst stop losses generally allow you to control potential losses should the market move against you, please be aware that stop loss orders may not always limit your losses the way you anticipate. The operation of these order types should be discussed with your ZR Markets representative.

Powers of ZR Markets

Should you fail to pay any amounts due and payable to ZR Markets, including Margin Calls, or maintenance of minimum account balances, ZR Markets have extensive powers to close out positions and charge default interest. Under the User Agreement you also indemnify ZR Markets and its employees, agents and representatives against certain losses and liabilities (subject to terms of the ASIC Order).

You should read the User Agreement carefully to ensure you understand these powers and responsibilities.

Electronic Trading Platform Risk

You shall be responsible for providing and maintaining the means by which to access the electronic trading platform, which may include, without limitation, a personal computer, modem and telephone or other access line. While your connection may be generally reliable, technical problems or other conditions may delay or prevent access thereto.

If you are unable to access the internet and thus the electronic trading platform, it will mean you may be unable to trade in a product offered by ZR Markets when desired and you may suffer a loss as a result. Should the system be unavailable, Clients may place their orders via telephone with a representative of ZR Markets.

Furthermore, in unforeseen and extreme market situations, such as a major terrorist event or other catastrophe, ZR Markets reserves the right to suspend the operation of the electronic trading platform or any part or sections of it. In such an event, ZR Markets may, at its sole discretion (with or without notice), close out your open contracts at prices it considers fair and reasonable at such a time.

ZR Markets may impose volume limits on Client accounts at its sole discretion. Please note that such measures would only be implemented in extreme market conditions, and such discretion only reasonably exercised in the best interests of the Client.

Regulatory Risk

Changes in taxation and other laws, government, fiscal, monetary and regulatory policies may have a material adverse effect on your dealings in Margin FX or other CFDs, as may any regulatory action against ZR Markets.

ZR Markets Risk

The risk of ZR Markets being unable to operate its business as a result of a regulatory impediment such as ZR Markets ceasing to hold an Australian Financial Services Licence or because ASIC imposes a stop order on the PDS issued by ZR Markets or ZR Markets ceasing to exist.

No Cooling Off

There are no cooling-off arrangements for Margin FX or other CFD contracts. This means that when ZR Markets arranges for the execution of a Margin

FX or other CFD contract, you do not have the right to return the product, nor request a refund of the money paid to acquire the product.

Market Volatility

Markets are subject to many influences which may result in rapid fluctuations and reflect unforeseen events or changes in conditions with the inevitable consequence being market volatility. Given the potential levels of volatility in certain markets, it is therefore recommended that you closely monitor your positions with ZR Markets at all times. Certain markets are highly volatile and are very difficult to predict.

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. You should be aware that if you acquire a product offered for trading or speculative purposes (that is, where you do not have a risk you need to protect yourself from), you will be fully exposed to movements in the underlying asset.

The risk of loss will be increased where you borrow to acquire the product, as the total loss which may be incurred will be the loss on the product together with the amount you borrowed.

No Margin FX or other CFD product offered by ZR Markets, or any other financial services provider, may be considered as a safe trade.

Spread Risk

Because ZR Markets earns its remuneration through the spread embedded in the buy and sell prices it quotes to you, a position must move in your favour by at least the spread amount before a break-even outcome is achieved. The spread is not a fixed amount and may be wider at the time you close a position than it was when you opened it, particularly during periods of high volatility or low liquidity. This means that even if the underlying asset price does not move at all, closing a position immediately after opening it will result in a loss equal to the spread. See section 15 for full details of how the spread and other fees and charges operate.

Counterparty Credit Risk

Margin FX and CFD contracts are not traded on a regulated exchange. Investors must deal directly with ZR Markets to open and close positions. Given you are dealing with ZR Markets as counterparty to every transaction, you will have an exposure to us in relation to each transaction. This is common to all OTC financial market products.

The obligations of ZR Markets to make payments in respect of the contracts are unsecured obligations of ZR Markets, which means that you are subject to our credit risk. If we were to become insolvent, we may be unable to meet our obligations to you.

Subject to the Australian Client Money Rules, ZR Markets enters into arrangements with third party execution and clearing providers for the facilitation of transactions and settlements, and avails monies received for margin calls and settlements to such providers for this purpose. Accordingly, Clients may be indirectly exposed to the financial risks of our counterparties and organisations with whom ZR Markets holds Client funds. If the financial condition of ZR Markets or assets of our counterparties or the parties with which we hold Client assets deteriorate, then Clients could suffer loss because the return of the Client capital could become difficult. Retail and sophisticated investor Client moneys are not used to margin, guarantee, secure, transfer, adjust or settle dealings in derivatives by ZR Markets or on people other than the Client.

You are reliant on ZR Markets' ability to meet its counterparty obligations to you to settle the relevant contract. ZR Markets may choose to limit this exposure by entering into opposite transactions as principal in the wholesale market in relation to its exposures with Clients. In addition, ZR Markets must comply with the financial requirements imposed under its AFS Licence.

Foreign Exchange Risk

Your account is maintained in the currency you have nominated, that is, the Base currency. Where you deal in a product that is denominated in a currency other than the Base currency, all Initial and Variation Margins, profits, losses, interest rate payments/receipts and financing credits and debits in relation to that product are calculated using the currency in which the product is denominated. Accordingly, your profits or losses may be affected by fluctuations in the relevant foreign exchange rate between the time the order is placed and the time the position is closed, liquidated, offset or exercised.

Upon closing a position that is denominated in a currency other than the Base currency of your account, you will be able to request that the foreign currency balance be converted to the Base currency of your account. Any conversion will be at the exchange rate quoted by ZR Markets, and subject to the Conversion Fee. Until the foreign currency balance is converted to the Base currency, fluctuations in the relevant foreign exchange rate may affect the unrealised profit or loss made on the position.

Market Information Risk

ZR Markets may make available to you through one or more of its services, a broad range of financial information that is generated internally or obtained from agents, vendors or partners (**Third Party Providers**). This includes, but is not limited to, financial market data, quotes, news, analyst opinions and research reports, graphs or data (**Market Information**).

Market Information provided by us by email or through our website is not intended as advice. ZR Markets does not endorse or approve the Market Information and we make it available to you only as a service for your own convenience. ZR Markets and its third-party providers do not guarantee the accuracy, timeliness, completeness or correct sequencing of the Market Information or warrant any results from your use or reliance on the Market Information.

Market Information may quickly become unreliable for various reasons including, for example, changes in market conditions or economic circumstances. Neither ZR Markets nor the third-party providers are obligated to update any information or opinions contained in any Market Information and we may discontinue offering Market Information at any time without notice.

Operational Risk

Operational risk is inherent in every transaction, for example, disruption to ZR Markets' operational processes such as communications, computers, networks or external events may lead to delays in the execution of or settlement of a transaction. ZR Markets relies on a number of technology solutions to provide you with efficient services. ZR Markets has partly outsourced the operation of this trading platform to a third party and in doing so ZR Markets relies upon this third party to ensure the systems are updated and maintained. A disruption to the ZR Markets electronic trading platform may mean you are unable to trade in a product offered by ZR Markets when desired and you may suffer a loss as a result. An example of disruption includes the 'crash' of our computer-based trading system.

Risk Capital

You could lose all of the Initial Margin that you deposit if you wish to establish or maintain a position. All derivatives involve risk and there is no trading strategy that can eliminate it. The placing of contingent orders (such as a stop-loss order) may not always limit your losses to the amounts that you may want. Market conditions may make it impossible to execute such orders. 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.

Superannuation Funds

It should be noted that complying superannuation funds are subject to numerous guidelines and restrictions in relation to their investment activities which are contained in the *Superannuation Industry (Supervision) Act 1993* (Cth), and associated regulations and regulatory guidance material.

Without being an exhaustive list, below are some of the issues that should be considered by a trustee of a complying superannuation fund:

(a) restrictions on borrowing and charging assets and whether dealing in over-the-counter derivative products would breach those borrowing and charging restrictions;

(b) the purpose of dealing in over-the-counter derivative products in the context of a complying superannuation fund's investment strategy as well as the fiduciary duties and other obligations owed by trustees of those funds;

(c) the necessity for a trustee of a complying superannuation fund to be familiar with the risk involved in dealing in over-the-counter derivative products and the need to have in place adequate risk management procedures to manage the risks associated in dealing in those products; and

(d) the consequences of adverse taxation if a superannuation fund fails to meet the requirements for it to continue to hold complying status.

If you are using superannuation funds to fund your account you must notify us, as this may impact your classification as a wholesale client or a retail client.

Investment decisions

You are solely responsible for the selection of the underlying asset for any orders you place with us, and as such, the performance of any investment in Margin FX or other CFDs using your trading account will depend mainly on your own investment decisions.

Adjustment Risk (CFDs)

Where an adjustment event occurs, ZR Markets reserves the right to adjust the terms of your CFD or order, or not make the adjustment to the relevant CFD if it is not reasonably practicable. ZR Markets may also elect to close your CFD position in the event of the underlying securities being subject of a takeover offer, prior to the closing date of the offer.

15. Fees and charges

ZR Markets does not charge a separate commission or transaction fee. Our remuneration is earned through the spread - the difference between the buy (ask) price and the sell (bid) price quoted to you. The spread is incorporated into the price at the point of execution and is not charged as a separate fee. Because the spread is embedded in the price, a position must move in your favour by at least the spread amount before you can achieve a break-even outcome. Spread size will vary depending on the product traded and prevailing market conditions. Current spread information is available on our website. Each product is an individual agreement between you and ZR Markets as principal and is not transferable or assignable to any third party. Fees and charges are subject to change - please refer to our website for the latest information and check regularly for updates.

Spread

ZR Markets earns its remuneration through the spread - the difference between the buy (ask) and sell (bid) price quoted to you. The spread is embedded in the quoted price and is not charged as a separate fee. A position must move in your favour by at least the spread amount before a break-even outcome is achieved. Spread size varies by product and market conditions. See the website for current spread information.

Premium (Overnight / Rollover Interest)

Where a Margin FX or CFD position is held open past 5:00 pm New York time, a daily financing charge (Premium) may be paid or received, depending on the interest rate differential of the applicable currencies or underlying instrument. Three nights' Premium applies to positions held over weekends. No Premium is payable if a position is opened and closed within the same trading day. Current rates are available on the website.

Dormant Account Fee

If you have not logged in to your trading account for 12 consecutive months, ZR Markets may classify the account as dormant and charge a Dormant Account Fee of AUD $25 per year (paid in arrears) to keep the account open. If there are insufficient funds to meet the fee, ZR Markets may apply a reduced fee or close the account. See the Administration Fees section below for full details.

Conversion Fee

A conversion spread of up to 3% may be applied to the exchange rate where a currency conversion is required on your account (for example, on closing a position denominated in a currency other than your account base currency). This spread represents ZR Markets' charge for performing the conversion. Current conversion spread information is available on the website.

Financing Charges

Premium (Rollover Interest) - CFDs

Keeping a position open after 5:00 pm New York time (with the local time equivalent varying depending on daylight savings), as shown in the ZR Markets trading platform display screen ‘Details’, subjects you to a ZR Markets funding premium that is subtracted from your account. This premium covers the benefit/cost of the associated funding. Trade settlement occurs two Business Days (T+2) after the trading day (opening/closure of a position).

The day of settlement is also called the value day.

Premium (Rollover Interest) - Margin FX

In the event of you holding a Margin FX position overnight you may be required to pay a financing charge or may be entitled to receive an interest payment, depending on underlying interest rate differentials of the applicable currencies. Interest is calculated on a daily basis and debited from and/or credited to your account at the end of each trading day.

The amount of interest paid/received by ZR Markets will vary each day, depending upon factors such as the price of the underlying currency interest rate differentials on which the Margin FX transaction is based.

Wednesday and Friday/Weekend Exceptions (applies to both CFDs and Margin FX)

Note: Trades initiated on Wednesday that are not closed on Thursday incur an additional 2 nights' premiums (for a total of 3) because the original settlement day Friday (T+2) has been pushed off to the next available Business Day (Monday). The same principle applies to overnight trades initiated 3 days before bank holidays.

Note: Positions held from Friday overnight into Monday will incur three nights' interest or premium (for Friday, Saturday and Sunday) for the same T+2 settlement reason described above. The same principle applies to positions held overnight over public holidays, where the overnight funding continues to accrue for each settlement day that is unavailable.

No interest or premium is paid or received if you open and close a position in the same trading day.

Administration Fees

The following administration fees may also apply:

Dormant Account Fee

Where your trading account has been inactive (i.e. you have not logged in to the Client Account) for twelve (12) months or more, ZR Markets may classify the account as dormant. A dormant account fee of AUD$25 per year, paid in arrears, may be charged to keep your account open. ZR Markets may apply a reduced fee or close the account if there are insufficient funds to meet this fee. ZR Markets may vary the dormant account fee by publishing notice on the website. It is your sole responsibility to ensure you terminate your account if you no longer wish to trade with ZR Markets.

Conversion Fee

A conversion spread of up to 3% may be applied to the exchange rate where a currency conversion is required on your account (for example, where you close a position denominated in a currency other than your account base currency and request conversion of that balance). This spread is not a fixed amount and represents ZR Markets' charge for performing the conversion. Current conversion spread information is available on our website at https://www.zr.au/.

Fees and charges are subject to change. Where any change constitutes an increase in fees or charges, ZR Markets will notify you at least 30 days before that change takes effect.

Please also note that ZR Markets retains all interest earned on client moneys held in its segregated trust accounts. See section 21 (Client monies) for further details.

16. Margins

ZR Markets operates a two-tier margining framework for retail clients, as required by the ASIC Order:

Tier 1 - Margin Call (80% level): If your account equity falls to or below 80% of the Initial Margin required for your open positions, ZR Markets will issue a margin call notification via the MT5 trading platform. You will be required to deposit additional funds immediately. Full details are set out in section 16.4 below.

Tier 2 - Mandatory Close-Out (50% level): If the net equity of your CFD trading account falls below 50% of the aggregate Initial Margin required for all open CFD positions, ZR Markets is required by law (under the ASIC Order) to close out one or more of your open CFD positions as soon as market conditions allow, without further reference to you - regardless of whether you intend to pay additional margin. Full details are set out in sections 16.3 and 16.4 below.

Retail clients benefit from negative balance protection: losses are capped at the funds in the trading account. See section 16.6 below.

16.1 Initial Margin

Where you enter a transaction, you will be required to pay an initial margin (an initial deposit/up-front payment). An initial margin means an amount of collateral that is required from you as security to enter into a margin position. Typically, we will require an Initial Margin calculated as a percentage of the contract value. The Initial Margin will vary depending on the type of product you trade and is determined at ZR Markets' discretion (in line with the ASIC Order) mostly by the liquidity of the underlying asset on which the product is based.

16.2 Leverage ratio limits

In addition, in order to maintain your position, you may be required to pay additional margin in the event of adverse market movements against your position. Such payments are not costs but are cleared funds required by ZR Markets to cover our risk and as security for your obligations. Further, this additional margin is required by the ASIC Order should you wish to prevent the mandated closing of your open position(s) where your net equity is at risk of falling below 50% of the Initial Margins. The amount is determined by the relevant third-party service provider, however ZR Markets in its absolute discretion, can impose margin requirements above and beyond those set by service providers.

The current margin rates applicable to each type of transaction are provided on the electronic trading platform prior to entering into a trade. Pursuant to the ASIC order, the current leverage ratio limits that can be offered for Margin FX and other CFDs for retail clients are as follows:

30:1 for CFDs over an exchange rate for a major currency pair. **Margin: 3.33%**

20:1 for CFDs over an exchange rate for a minor currency pair, gold or a major stock market index. **Margin: 5%**

10:1 for CFDs over commodities (excluding gold) or a minor stock market index. **Margin: 10%**

5:1 for CFDs over shares or other underlying assets The leverage ratio limits take into account any leverage inherent in an underlying reference asset (e.g. a CFD on a futures contract, an option contract or a leveraged exchange traded fund). **Margin: 20%**

Please note that ZR Markets has no authority to allow you to trade with a margin lower than that prescribed by the ASIC Order.

16.3 Payment of Margin amounts

The Margin amounts are payable into the ZR Markets Client trust account and are held, used and withdrawn in accordance with the Corporations Act requirements and our agreed terms and conditions specified in the User Agreement. In particular, ZR Markets will apply Client funds held in the trust account solely to meet the Client's own margin calls and payment/settlement obligations arising from the Client's own positions.

All contracts will be subject to Margin obligations. Accordingly, you are responsible for meeting all margin payments required by ZR Markets. It is your sole responsibility to monitor and manage your open positions and exposures and to ensure Margin Calls are met as required. Margin Calls will be notified via the trading platform, and you are required to log-in to the system on a daily basis when you have open positions to ensure you receive notification of any such Margin Calls. A Margin Call will not be considered to have been met unless and until cleared funds have been received by ZR Markets in the nominated account. Please note that in the event that the funds standing to the credit of the CFD trading account fall to less than 50% of the total initial margin required for all open CFD positions on that account, ZR Markets must as soon as market conditions allow, terminate all open CFD positions in connection with that CFD trading account without further reference to you.

16.4 Margin Call

Positions will be monitored by ZR Markets on a continuous basis to account for any market movements. Margin calls are automatically generated by the MT5 platform. The margin call level is generally set at 80% of available equity. The MT5 trading system performs an automatic pre-trade check for margin availability, and trades will only be executed if the Client's trading account has sufficient available equity (including margin funds).

If the value of the position moves against you such that your equity falls to or below the 80% margin call level, you will receive a margin call notification via the trading platform requiring you to deposit additional funds. If you are unable to top up the Initial Margin, the Variation Margin liability is incurred at the time of the relevant market movement. At any point in time, you always have the option of closing out your position.

If you wish to maintain your open position, you will need to meet the Margin Call. If you fail to meet any Margin Call, i.e. if we fail to receive cleared funds, we must reduce or close all your open positions, as soon as market conditions allow, without further notice. Payment of the Margin Call must be received within 24 hours of the call although in times of extreme price volatility this may mean as little as 1 hour.

In addition, if the net equity of your CFD trading account falls below 50% of the total Initial Margin required for all open CFD positions on that account, ZR Markets must, as soon as market conditions allow, terminate all open CFD positions without further reference to you, even if you intend to pay additional Margin sufficient to meet the Call. Or, in the rare circumstances where ZR Markets does not have time to make a Margin Call due to exceptional market movements, then ZR Markets 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 (and other excess funds held in your accounts with ZR Markets).

16.5 Margin close-out protection

In rare circumstances, the markets could move against your position giving ZR Markets no time to make a Margin Call on you to request additional funds. In such circumstances, ZR Markets may close out, without notice, all or some of your open positions and deduct the resulting realised loss from the Initial Margin (and other excess funds held in your accounts with ZR Markets). See section 16.3 for the mandatory 50% close-out obligation.

In either case, any losses resulting from ZR Markets closing your position will be debited to your account. If a liability then arises the extent of ZR Markets' recourse is limited to the funds held in your Client money account and trading accounts, and any derivative Client property. CFD and Margin FX products can be highly volatile, and you should ensure that you are always contactable by ZR Markets. If you are unable to be contacted for the purpose of ZR Markets making a Margin Call, we may close out your open positions without contacting you.

Margin Calls will be made on net account basis i.e. should you have several open positions, then Margin Calls are netted across the group of open transactions. In other words, the unrealised profits of one transaction can be used or applied as Initial or Variation Margins or to offset the unrealised losses of another transaction. You will only be allowed to deal in and maintain positions on the basis of cleared funds being provided for your Margin obligations or your net balance for your trading accounts is in credit. Margin calls can be made by ZR Markets at any time and you are responsible for ensuring that they are met, or risk having all positions terminated.

ZR Markets has the right to limit the size of your open positions, whether on a net or gross basis under any appropriate circumstances as determined by ZR Markets. ZR Markets also has the right to refuse any request made by you to place an order to establish a position at any time at ZR Markets' discretion without having to give you notice.

16.6 Negative balance protection

Pursuant to the ASIC Order, CFDs offered to a retail client must limit the retail client's losses on CFD positions to the funds in that retail client's CFD trading account. Accordingly, ZR Markets will provide negative balance protection for retail clients only. Retail clients will not remain liable for any negative balances which cannot be covered by the closing out of all of their positions in connection with their client trading account. ZR Markets' recourse will be limited to the monies held in the retail client's trading account, including monies arising from a forced close-out of the client's trades. This means that, subject to the above, where a retail client's trading account balance falls below zero, the trading account balance will be restored by ZR Markets to be equal to zero. Please note that: (a) negative balance protection does not apply to wholesale clients; (b) negative balance protection does not extend to fees and charges payable by you to ZR Markets; and (c) this protection applies only in relation to CFDs and does not apply to any other liability you may have to ZR Markets.

16.7 Prohibitions on inducements

CFD providers are also prohibited from giving or offering in the course of carrying on a business a gift, offer discount, rebate, trading credit or reward to a retail client or prospective retail client as an inducement to open or fund a CFD trading account or trade CFDs.

17. Trading examples

Please note that trading examples are for illustrative purposes only. They do not necessarily reflect current or future market or product movements, the values that ZR Markets will apply to a trade, nor how trades impact your personal circumstances. The figures used in the examples do not necessarily reflect your personal circumstances and do not restrict in any manner the way in which ZR Markets may exercise its powers or discretions. The examples listed below also do not constitute general or personal financial product advice to any person reading this PDS.

Past performance warning: Past performance is not a reliable indicator of future performance. The trading examples below are hypothetical and are presented solely to illustrate how Margin FX and CFD positions and margin calculations work. They should not be relied upon as a guide to likely future profits or losses.

Trading example #1 - LOSS

Say you deposit $25,000 in your CFD account. Your account will appear as follows:

- Equity: $25,000 (Deposits - Withdraws + P&L of opened positions+ Closed P&L).
- Available Balance: $25,000 (Equity- used Margins).
- P&L = $0 (total profit and loss of all open positions including daily Premiums).

There are some other important concepts that you need to understand when reading this example. The first is Initial Margin. Initial Margin is the amount of margin required to be posted to your account in order to open a position. In this example, the Initial Margin requirement is 20% (as required by the ASIC Rules). The second important concept is Maintenance Margin. This is the minimum amount of Equity that must be available in your account to maintain your open positions and avoid it or them being automatically terminated under the ASIC Rules. Maintenance Margin is fixed at 50% of the Initial Margin. If your Equity goes below the Maintenance Margin threshold, ZR Markets is required by law to close-out your positions until your Equity returns to above the Maintenance Margin threshold, or until all of your open positions are closed out, whichever occurs first.

** In our platform we call Initial margin Required Securities

10.20am – You buy 200 Google shares (CFDs) at $590 per share

- The total value of this trade is $118,000 ($590*200).
- Your Initial Margin is $23,600 (20% * $118,000 = $23,600).
- Your Available Balance at this point is $1,400 ($25,000 initial equity - $23,600 Initial Margin requirement).
- The Maintenance Margin is $11,800 (50%*$23,600=$11,800). This means that if the value of your position on the 200 Google shares were to decrease and your equity fall below $11,800, then your Equity will have fallen below the Maintenance Margin threshold and ZR Markets is required by the Rules to terminate your open positions.

1.00pm - Google shares drop to $560 per share

- The total value of 200 shares of Google has declined to $112,000 (i.e. a $6,000 decrease in value from when you initially purchased the shares).
- A loss of -$6000 has been incurred (200*($560-$590)).
- 'Equity' is therefore $19,000 ($25,000 initial equity - $6,000 loss).

At this point your equity has not fallen below the Maintenance Margin threshold of $11,200. You may be asked to provide more margin, but your position will not be terminated.

1:15 pm - Google shares fall to $515 per share

- The total value of 200 shares of Google has declined to $103,000.
- A loss of -$15,000 has been incurred (200*($515-$590)).
- Your Equity is now $10,000 ($25,000 initial equity - $15,000 loss).

At this point, your Equity is $10,000. This is below the $10,300 Maintenance Margin threshold required to maintain an open position on 200 Google Shares. Therefore, your Google shares will be liquidated by ZR Markets.

Following this liquidation, your balance is:

- Equity: $10,000.

Available Balance: $10,000 (Deposits - Withdraws + P&L of closed positions+ Open P&L – Used

Margin).

P&L = $0 (no open positions remaining).

Trading example #2 - PROFIT

Say you deposit $1,000 in your CFD account. Your account will appear as follows:

- Equity: $1,000 (Deposits - Withdraws + P&L of opened positions + Closed P&L).
- Available Balance: $1,000 (Equity - used Margins).
- P&L = $0 (total profit and loss of all open positions including daily Premiums).

As with the above example, there are some other important concepts that you need to understand when reading this example. The first is Initial Margin. Initial Margin is the amount of margin required to be posted to your account in order to open a position. In this example, the Initial Margin requirement is 5% (as required by the ASIC Rules for gold). The second important concept is **Maintenance Margin**. This is the minimum amount of Equity that must be available in your account to maintain your open positions and avoid it or them being automatically terminated under the ASIC Rules. Maintenance Margin is fixed at 50% of the Initial Margin. If your Equity goes below the Maintenance Margin threshold, ZR Markets is required by law to close-out your positions until your Equity returns to above the Maintenance Margin threshold, or until all of your open positions are closed out, whichever occurs first.

9:00pm - you 'Buy' 10 ounces of Gold at $1,000 an ounce

- The total value of this trade $10,000 (10 x $1,000).

The Initial Margin requirement of 5%, works out at $500 (5%*$10,000=$500).

The Maintenance Margin is $250 (50%*$500).

Your Equity at this point to cover a potential Margin Call is $750 ($1000 initial equity - $250 Maintenance Margin requirement).

10.15pm – Gold jumps to $1,050 per ounce

- The total value of 10 ounces of Gold has increased to $10,500.
- A profit of $500 has been realised (10*($1050-$1000)).
- Equity: $1,500 ($1,000 initial equity + $500 profit).
-

At this point, your Take Profit order executes, and the position is closed. A $500 profit has been made on the transaction.

18. Funding your account

You may transfer funds to us using any of the following methods:

- bank transfer;
- credit card; or
- e-wallets.

In **no** circumstances do we accept cash deposits.

When transferring funds to ZR Markets you must ensure that the funds are appropriately referenced with your account number to enable us to easily identify your funds and apply them to your account promptly. All payments made to ZR Markets must be free of any withholding tax or deduction. ZR Markets will only act on funds that have cleared, so we recommend that you maintain sufficient Margin in your account at all times to maintain your open positions. It is your sole responsibility to check that ZR Markets has received the funds in their client trust account before trading using those funds. ZR Markets will not accept any liability or responsibility for any losses, close outs or debts you incur as a result of, or arising out of, or in connection with, your trading on funds that have not been cleared into ZR Markets' Client trust account. We reserve the right to recover any losses (whether direct or indirect) incurred by us due to your conduct trading on funds you are not entitled to. You acknowledge that this right to recovery is not subject to the limitation on ZR Markets' recourse found in the ASIC Order, as this right is grounded on your use of misappropriated funds. ZR Markets does not accept funds transferred from third parties, so it is your obligation to ensure that all funds transferred to us are from the bank account you have nominated in your Application. We may, in our absolute discretion, without creating an obligation to do so, return any funds transfer received from a third party back to the account from which it was transferred.

ZR Markets will not accept any liability or responsibility for any losses that you may suffer as a result of, or arising out of, or in connection with, us returning any transfer of moneys from a third party, including any losses incurred by you because you are subsequently in default of your obligations under the User Agreement. Credit and debit card transactions are non-reversible and can be refunded only if there are no open trades or pending orders on the account at the time of the refund request. Chargebacks are not allowed to be used as a method for funds withdrawal and must not be used under any circumstances. You agree to hold ZR Markets, its successors and/or assigns harmless and agree to reimburse ZR Markets for any and all expenses (including but not limited to professional fees, fees payable under any card scheme rule, merchant facility fees and arbitration costs) sustained from any chargebacks initiated by you.

All withdrawals from your trading account must be made to the same bank account from which your funds were deposited and which you have nominated in your Application. ZR Markets will not make withdrawals to third-party accounts under any circumstances. If funds were deposited by multiple methods, withdrawals will be returned proportionally to each original source. You are responsible for ensuring that your nominated bank account details remain current and accurate.

19. Order Types

The following order types are available on the trading platform. Stop-loss orders and all other orders must be placed a minimum distance from ZR Markets' current bid and offer prices; the minimum distance for each product will be advised to you upon request.

Market Order

How it works:
An instruction to buy or sell at the best available price at the time the order is submitted.

Key risk / limitation:
The execution price may differ from the price displayed at the time of submission, particularly during periods of high volatility or low liquidity.

Limit Order

How it works:
An instruction to buy or sell at a specified price or better. A buy limit order executes at the limit price or lower; a sell limit order executes at the limit price or higher.

Key risk / limitation:
If the limit price is not reached, the order remains open until it is cancelled or expires.

Stop-Loss Order

How it works:
An instruction to close an open position if the market price reaches a specified level, with the aim of limiting potential losses. A stop order becomes active once the specified price is traded in the market, at which point it converts to a market order.

Key risk / limitation:
Not guaranteed. In fast-moving or illiquid markets the order may be executed at a price worse than the specified level (slippage).

Trailing Stop-Loss Order

How it works:
A stop-loss order that automatically adjusts the stop price as the market moves in your favour, maintaining a fixed distance from the current market price. If the market moves against your position, the stop price remains fixed until triggered.

Key risk / limitation:
Not guaranteed; subject to slippage. Once the market moves against your position the stop price

does not follow - it remains fixed at its last adjusted level.

Take-Profit Order

How it works:
An instruction to close an open position when the market price reaches a specified level, with the aim of securing a profit.

Key risk / limitation:
Executed at the specified price or as close to it as market conditions allow. Price improvements are not guaranteed.

Guaranteed Stop-Loss Order (GSLO)

How it works:
A stop-loss order that guarantees execution at the specified price regardless of market conditions, including gapping or slippage. GSLOs are only available on certain underlying assets as indicated on the trading platform. A premium is charged, reflected in an adjusted spread at the time the order is placed.

Key risk / limitation:
Once accepted, a GSLO cannot be removed - only the price level may be changed. GSLOs can only be placed on new orders and are only available as a close-at-loss condition. The premium is charged whether or not the GSLO is triggered.

Stop-loss order example

For example, if you want to protect a long position in BHP that you bought at $50.00, you can place a trailing stop to sell at $42.00, with a distance to market of $7 and a step of 1 point. Then if BHP moved to $52.00, the strike price of the stop-order will be adjusted to $45.00. If BHP moves to $57.00, the strike price will be adjusted to $50.00 and so forth. When the price in BHP moves down to $50.00, your stop order will be triggered and routed as a market order.

Stop-loss orders placed on share CFDs will be filled if the underlying security trades at prices equal to or below the price at which you have placed your stop loss order subject to there being sufficient liquidity in the underlying security. Your stop loss orders may be filled at prices below those at which you have placed your stop loss order.

ZR Markets will execute a stop-loss order once the following conditions are met:

- ZR Markets' offer price has reached the order price in the case of a buy order or ZR Markets‘s bid price has reached the order price in the case of a sell order; and
- the relevant underlying market has traded at or through the level at which the order is placed, in sufficient size that ZR Markets could have replicated the order.

ZR Markets will not execute stop loss orders based on crossings or special trades that have gone through the underlying market. If the relevant underlying market, and therefore our CFD price, gaps through- the stop level then the order will be executed at the next available price at which the order could have reasonably been executed.

As the markets are moving 24 hours a day, you are able to place a 'stop loss' on all open positions. Whilst this allows you to control potential losses should the market move against you, in most circumstances, stop loss orders may not always limit your losses the way you anticipate. There are no guarantees in relation to stop-loss orders, and due to the speed at which prices can move, they may be executed at a different price (known as slippage) or not at all. There are no additional fees or charges associated with the placement of stop-loss orders (only the disclosed commission regarding the executed transaction if the order is triggered).

20. Your Agreement with ZR Markets

In order to begin an application to open an account, you are required to agree to our User Agreement. The User Agreement, together with the Account Opening Application Form, Risk Warning Notice, Website Terms and Conditions, and any additional terms accepted by you, collectively form the 'Agreement'. The Agreement is an important legal document containing the terms and conditions which govern our relationship with you. The User Agreement is provided to you separately by ZR Markets.

Transaction confirmations are made available to you electronically through the MT5 trading platform, which acts as ZR Markets' standing facility for confirming transactions. The platform provides you with access to your account statement, trade history, open positions and confirmations at all times. A record of each completed transaction (including the relevant instrument, price, size and time of execution) is accessible via the platform's account history function. You may also request copies of confirmations by contacting ZR Markets using the contact details in section 2 of this PDS.

We recommend that you consider seeking independent legal advice before entering into the User Agreement, as the terms and conditions detailed therein are important and affect your dealings with us.

We note the following key terms in the User Agreement, some of which have been summarised throughout this PDS:

- Client acknowledgements regarding knowledge and suitability of Margin FX and CFD products;
- client representations and warranties;
- client account operating details;
- margin FX and CFD trading requirements;
- margin requirements and ZR Markets' rights in respect thereof;
- client obligations regarding confirmations (discrepancies);
- process for closing out a trade, and ZR Markets' rights in relation to price calculation;
- interest payable/receivable on open positions;
- requirements regarding the appointment of authorised persons by the Client;
- default events;
- ZR Markets rights following a default event;
- amendment and termination rights;
- client Indemnity in favour of ZR Markets;
- ZR Markets' limitation of liability;
- fees and charges (see section 15);
- restrictions on assignment of agreement;
- telephone recordings;
- provision of general advice;
- governing law (laws of the State of New South Wales, Australia, with Commonwealth laws applying to regulatory obligations); and
- electronic trading platform conditions/process.

21. Client monies

All money deposited into your account by you, or by a person acting on your behalf, or which is received by ZR Markets on your behalf, will be held by ZR Markets in one or more segregated client trust accounts maintained pursuant to the Corporations Act. Client monies are kept separate from ZR Markets' own monies and assets. Please note that individual Client accounts may not be separated from each other but may be co-mingled into one segregated account. An annual client money audit is conducted by ZR Markets' external registered auditor, LNP Audit and Assurance Pty Limited (Sydney), to confirm that ZR Markets meets its obligations with respect to client money in accordance with ASIC RG 166 and the Corporations Act.

Retail and sophisticated investor client money is not used by ZR Markets to margin, guarantee, secure, transfer, adjust or settle dealings in derivatives on behalf of ZR Markets or on behalf of persons other than you. In accordance with regulation 7.8.02A of the Corporations Regulations 2001 (Cth), ZR Markets does not use retail client money from a client money account for the purpose of meeting obligations incurred by ZR Markets in connection with its own hedging or risk management activities. It is important to note that holding your money in one or more segregated accounts may not afford you absolute protection in all circumstances, including in the event of ZR Markets' insolvency.

ZR Markets may on-forward client money to third-party clearing and execution providers solely for the purpose of facilitating settlement of your own transactions and meeting your own margin, fee and settlement obligations. Client monies held pending future transactions and payments are retained in ZR Markets' segregated trust account in accordance with the Corporations Act.

ZR Markets does not accept payments from or make payments to any third parties. In accordance with Australian anti-money laundering regulations, ZR Markets reports, where necessary, any suspect transactions to AUSTRAC.

ZR Markets is entitled to retain all interest earned on Client moneys held in segregated accounts with a bank or approved deposit-taking institution. The rate of interest earned by ZR Markets on this account is determined by the provider of the deposit facility.

Under the ASIC Client Money Reporting Rules, we are required to comply with various record-keeping, reconciliation and reporting obligations in relation to the retail and sophisticated Client money held in the Client money trust. Under these rules, ZR Markets must:

- keep records of retail and sophisticated Client money received and retain such records for 7 years;
- perform a daily and monthly reconciliation of the retail and sophisticated Client money on ZR Markets' accounts with the actual retail and sophisticated Client money held in the Client money trust; and
- notify ASIC within 5 Business Days if ZR Markets identifies a breach of the ASIC Client Money Reporting Rules, or if a discrepancy is identified by the reconciliation.

In addition, ZR Markets must also:

- lodge with ASIC an annual director's declaration and an external auditor's report on ZR Markets' compliance with the ASIC Client Money Reporting Rules within 4 months of the end of ZR Markets' financial year; and
- establish, implement and maintain policies and procedures designed to ensure ZR Markets' compliance with the ASIC Client Money Reporting Rules.

22. Taxation

22.1 Introduction

If you trade in Margin FX or other CFDs, you may be subject to Australian taxation. This section outlines general information about significant Australian income tax and GST implication of trading derivatives and is based on the taxation laws as at the date of this PDS.

The information contained in this section is of a general nature only and is not intended to constitute legal or taxation advice and should not be relied upon as such. The taxation implications of your transactions will depend on your own individual circumstances and ZR Markets recommends that you obtain independent professional taxation advice on the full range of taxation implications applicable to your own personal facts and circumstances.

Taxation laws are complex in nature and their interpretation and administration may change over the term of your transacting. We will not advise you of any changes in taxation laws should they occur. You must take full responsibility for the taxation implications arising from your own transacting, and any changes in those taxation implications during the course of your transacting.

The information provided below is for Australian resident investors only and is based on interpretation of taxation laws in Australia current as at the date of this PDS. If you are not an Australian resident, you should consult a taxation advisor in your own jurisdiction to determine the tax consequences of transacting in derivatives.

The information in this section is based on the assumption that you will hold derivatives on revenue account. This means that you will be carrying on a business of trading or transacting these financial products, and/or you will enter into them for the purpose of making profits. We have not considered the taxation position if you enter into derivatives for the purposes of hedging risks associated with other securities or underlying assets held by you on capital account.

Provision of a Tax File Number (**TFN**) is optional. However, the non-provision of a TFN may result in a higher tax liability or surcharge. If you do not provide us with a TFN or details of exemption, we shall be legally obliged to deduct tax from interest payments at the highest rate.

The availability of tax deductions or losses incurred as a result of transacting in derivatives to offset current and future year income will depend on your personal circumstances and you will need to seek advice from your tax advisor in this regard.

22.2 Tax Consequences of Transacting in Margin FX and other CFDs

The ATO has not issued any specific Tax Ruling or Determination in respect of Margin FX. However, they are similar in nature to CFDs in that they are both derivatives which provide the investor with exposure to price movements in underlying assets traded on markets, without directly investing in those underlying assets. The taxation of CFDs is set out in ATO Tax Ruling TR 2005/15. TR2005/15 therefore may provide some guidance on the taxation treatment of Margin FX. Under TR2005/15, if you enter into a contract exposing you to future price movements in markets in the ordinary course of your business or for profit-making purposes, it is likely that any profit derived or loss incurred by you will be included in, or allowed as a deduction from, your assessable income. Tax Ruling IT2228 sets out a similar ATO view of profits or losses from trading in futures contracts. Any profit or loss arising in respect of a Margin FX or other CFD transaction should be included in your assessable income (or allowed as a deduction) at the time the profit or loss is 'realised' for tax purposes. Realisation will generally occur at the time the position is closed out (on expiry or sale).

Ordinarily, derivative transactions would be entered into for a profit-making purpose. However, where a derivative is not entered into for a profit-making purpose, the ATO may consider the transaction as an unusual form of recreational gambling. Proceeds from gambling are generally not subject to tax unless you are carrying on a business of gambling. In the ATO's view, 'gambling' refers to activities involving primarily chance which have a recreational or sporting character, and not the more technical legal meaning of wagering or the more popular meaning of mere risk taking. Ultimately, the nature of the proceeds an investor derives from transacting in derivatives will depend upon the particular circumstances of the investor.

22.3 Capital Gains Tax

Margin FX positions and CFDs may constitute a capital gains tax (**CGT**) asset held by you for the purposes of applying the CGT provisions to any capital gain or capital loss realised by you. However, to the extent that a gain arising as a result of a CGT event in relation to Margin FX or other CFDs is included in your assessable income outside the CGT provisions (refer to section 22.2 above) the capital gain resulting from the CGT event will be reduced. Similarly, to the extent that any loss incurred in respect of Margin FX or other CFD transactions is deductible, the deductible amount will not contribute to a capital loss for you.

22.4 Treatment of Transaction Fees

Any Daily Financing Fees credited to you are likely to be included in your assessable income at the time it is credited to your Account. If you do not provide your TFN (or ABN) or proof of exemption, ZR Markets may be required to withhold tax from any payment at the highest rate. The transaction fees payable upon purchase or close out of Margin FX and CFD positions will be deductible if the gain or loss on the transaction is assessable or deductible. If the gain or loss is a capital gain or loss, the transaction fees will form part of the cost base or incidental costs of disposal of the product.

22.5 Expenses

Certain expenses incurred by you in connection with trading in Margin FX or other CFDs may be deductible to the extent that they are incurred for the purpose of deriving your assessable income. The deductibility of these expenses will depend on your own personal circumstances. You should obtain your own advice as to whether such expenses will be deductible to you.

22.6 Taxation of Financial Arrangements

New rules have been introduced which set out the method by which gains and losses from financial arrangements will be brought to account for tax purposes (referred to as the Taxation of Financial Arrangements (**TOFA**) rules). The TOFA rules apply to financial arrangements held by certain investors whose assets or aggregated turnover exceeds specified thresholds. The TOFA rules also apply to investors who have made an election to apply to TOFA rules to their financial arrangements. You should obtain your own advice as to whether the TOFA rules apply to you in relation to the taxation treatment of Margin FX and CFD transactions.

22.7 Goods and Services Tax

No GST should be payable in relation to your trading of Margin FX or other CFDs with ZR Markets. This is on the basis that they are considered to be 'financial supplies' under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth). Consequently, they are input taxed and no GST payable on their supply. However, GST may apply to certain fees and costs charged to you. You should obtain your own advice as to whether an input tax credit is available for any such GST, as it will depend on your personal circumstances.

23. Disclosure of interests

23.1 Conflicts of interest

We do not have any relationships or associations which might influence us in providing you with our services, subject to the disclosures set out below. ZR Markets has in place a Conflicts of Interest Policy which sets out how it identifies, manages and discloses conflicts of interest in accordance with section 912A(1)(aa) of the Corporations Act.

23.2 Market making

ZR Markets is a market maker, not a broker, and accordingly will always act as principal for its own benefit in respect of all Margin FX and CFD transactions with you. ZR Markets may conduct transactions to hedge its liability to you in respect of your Margin FX or other CFD positions by undertaking transactions with liquidity providers. Such trading activities may impact (positively or negatively) the prices at which you may trade Margin FX and CFD products.

23.3 Employee remuneration

ZR Markets does not reward, give benefits or offer additional remuneration to its employees based on Client deposits, profit or loss or the volume of their transactions. All performance-related benefits that ZR Markets' personnel may earn are based on a balanced scorecard of criteria set out in accordance with ASIC's Regulatory Guide 246 (Conflicted and other banned remuneration).

23.4 Referral arrangements

ZR Markets does not at the date of this PDS intend to enter into any contractual arrangements with any referring parties for referrals to retail clients. If, in the future, ZR Markets does intend to enter into contractual arrangements with referring parties, it will ensure such arrangements are entered into in accordance with regulatory requirements and fee arrangements are compliant and appropriately disclosed.

Where a referral arrangement is in place and you have been referred to us by an introducer or referrer, ZR Markets may pay commission fees or charges to that introducer or referrer. Any such arrangements and fees will be disclosed to you as required by Applicable Regulations. As at the date of this PDS, ZR Markets does not have any active referral arrangements in place for retail clients. Please note that any fees payable to an introducer or referrer will not affect the rates or fees you are offered by ZR Markets for financial products or services.

23.5 Labour, environmental, social and ethical considerations

ZR Markets does not take into account labour standards or environmental, social or ethical considerations in the selection, pricing or availability of its Margin FX and other CFD products. ZR Markets' products are priced by reference to movements in underlying financial markets.

23.6 Third-party service providers

ZR Markets is the issuer and acts as principal in all Margin FX and CFD transactions. ZR Markets engages third-party providers for technology, liquidity, clearing, settlement and identity verification services. Those providers have no direct contractual relationship with Clients and are not issuers of any financial product. Responsibility for the financial products and services described in this PDS rests solely with ZR Markets.

24. Privacy

ZR Markets collects personal information for the purpose of providing its financial services to you, including processing your account application, verifying your identity, assessing your suitability as a client, executing your transactions, managing its market risk, and meeting its regulatory obligations (including under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) and the Corporations Act). In providing its services, ZR Markets may disclose your personal information to its related entities (including Zircon HK and ZR Singapore), identity verification and electronic KYC providers, liquidity providers, technology and payment providers, external auditors, legal advisers, and government agencies and regulators including ASIC, AUSTRAC and the ATO. Some of these recipients may be located outside Australia.

You are not required to provide your personal information to ZR Markets. However, if you do not, ZR Markets will not be able to process your account application, open a trading account for you, or provide its financial services to you. You have the right to access and request correction of the personal information ZR Markets holds about you, and to make a privacy complaint. If your complaint is not resolved to your satisfaction, you may contact the Office of the Australian Information Commissioner (**OAIC**) at www.oaic.gov.au or by calling 1300 363 992.

For full details of how ZR Markets collects, uses, maintains, protects and discloses your personal information, please read the ZR Markets Privacy Policy, which is available free of charge on our website at www.zr.au and upon request.

25. Cooling-off period

There is no cooling-off period for Margin FX or other CFD contracts entered into with ZR Markets. Margin FX and CFD contracts are derivatives and are specifically excluded from the statutory cooling-off regime under the Corporations Act. This means that once you have entered into a Margin FX or CFD contract with ZR Markets, you do not have the right to return the product within a cooling-off period, to have the contract rescinded, or to request a refund of any amount paid in connection with the acquisition of the product. You should therefore carefully consider your decision to trade in Margin FX or other CFDs before entering into any contract.

26. Dispute resolution

26.1 Internal dispute resolution process

ZR Markets is committed to providing a high standard of service to Clients. If you have a query about the quality or level of service we have provided to you, we encourage you to first contact our client services team via email at clientservice@zr.au or through the trading platform. We will endeavour to resolve queries promptly. We have a formal internal dispute resolution policy in place and aim to resolve any complaints or concerns as quickly and fairly as possible in the circumstances.

Our complaints process is designed to be accessible to all clients, including those with disability or language difficulties. If you require assistance lodging a complaint, including translation services, alternative format documents (such as large print), or other accessibility assistance, please contact us and we will use reasonable endeavours to accommodate your needs. Information about our complaints process is available in English and, on request, ZR Markets will use reasonable endeavours to provide assistance in other languages or formats.

Any complaints or concerns should be directed to the Compliance Officer by writing to us via the following avenues:

Sending an email to: complaints@zr.au

Visiting our website: https://www.zr.au/

We will seek to resolve your complaint within 30 calendar days of receipt. Some matters are more complex and can take longer to resolve. Should we require additional time to resolve your complaint, we will explain the reasons for the delay and keep you informed of our progress.

We may request additional information and/or supporting documents from you to assist our investigation. The Compliance Officer and their team will conduct a thorough investigation into the complaint. Once completed, we will provide you with a detailed decision in writing, and the reasons on which it is based.

26.2 External dispute resolution process

If we are unable to resolve your dispute through our internal dispute resolution process, you have the right to refer the complaint to the Australian Financial Complaints Authority (**AFCA**). AFCA, of which ZR Markets is a member (AFCA Member Number: 106597), is an external dispute resolution (**EDR**) scheme approved to deal with complaints from consumers in the financial system.

Using AFCA is free to consumers. If you would like to access the scheme, please lodge a complaint within 2 years of the date of the final response given by ZR Markets to your complaint.

AFCA may be contacted via the following avenues:

Website: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority
GPO Box 3 Melbourne VIC 3001

27. Glossary

Account means the account of the Client dealing in the products issued by ZR Markets, which is established in accordance with the terms and conditions of the User Agreement.

AFCA means the Australian Financial Complaints Authority Limited (ABN 38 620 494 340).

AFSL means Australian Financial Services Licence.

Agreement means the User Agreement together with the Account Opening Application Form, Risk Warning Notice, Website Terms and Conditions, and any additional terms and conditions accepted by you in connection with your dealings with ZR Markets.

Application means the account opening application submitted by a prospective Client to ZR Markets, comprising the information and documentation provided during the account opening process (including the Account Opening Application Form).

Australian Client Money Rules means Part 7.8 of the Corporations Act, the regulations made under that part and the ASIC Client Money Reporting Rules 2017 as amended from time to time, made under s 981J(1) of the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASIC Order means the ASIC Corporations (Product Intervention Order – Contracts for Difference) Instrument 2020/986.

ATO means the Australian Taxation Office.

AUSTRAC means the Australian Transaction Reports and Analysis Centre, Australia's financial intelligence agency responsible for AML/CTF regulation.

Base Currency means the currency in which the Client Account is denominated, as nominated by the Client at the time of account opening.

Business Day means a day (other than a Saturday or Sunday or public holiday) on which trading banks in Sydney Australia are open for business.

CFD means Contract for Difference.

CFD Trade means a contract entered into between a Client and ZR Markets under which the parties agree to exchange the cash difference between the opening value and the closing value of the contract, being the difference between the opening price and the closing price of the relevant Underlying Instrument multiplied by the number of units of the Underlying Instrument to which the contract relates.

Client means, for the purpose of this PDS a retail client as defined in s 761G of the Corporations Act. Where the context requires, a reference to 'Client' includes a prospective client.

Commission means any commission or transaction fee charged by ZR Markets in connection with a CFD Trade. As at the date of this PDS, ZR Markets does not charge a separate commission on transactions; its remuneration is incorporated into the spread applied to the price quoted to Clients.

Compliance Officer means the person appointed by ZR Markets from time to time to manage the compliance function with respect to ZR Markets' business and its AFSL conditions.

Confirmation means a document or documents confirming evidence exchanged between ZR Markets and the Client, confirming the terms of the product transaction.

Corporations Act means the *Corporations Act 2001* (Cth).

Daily Financing Fee means the daily charge applied to positions held open overnight, calculated by reference to the relevant interest rate differential applicable to the underlying instrument and the size and direction of the open position, as further described in section 15 of this PDS.

Deal has the same meaning as provided in the Corporations Act.

DST means Daylight Saving Time.

Dormant Account Fee means the fee of AUD$25 per year, paid in arrears, that may be charged on a trading account that has been classified as dormant by ZR Markets following twelve (12) consecutive months of inactivity (i.e. where the Client has not logged in to the Client Account).

EDR means external dispute resolution.

EST means Eastern Standard Time, Australia.

FSG refers to ZR Markets' Financial Services Guide as amended, supplemented or updated from time to time.

Initial Margin means an amount required to be deposited by the Client with ZR Markets to open a Margin FX or other CFD position.

Issuer means Zircon Financial Service (Australia) Pty Ltd ACN 672 642 054, ABN 14 672 642 054, AFSL 562700, being the entity that issues the Margin FX and other CFD products described in this PDS.

Knowledge Test means the mandatory qualification assessment forming part of ZR Markets' account opening process, comprising 10 questions drawn at random from a bank of 100 questions covering topics including financial risk, leverage amplification, non-transferability of OTC derivative positions, holding costs, close-out risk, market volatility and gapping, the absence of a cooling-off period for CFD contracts, and counterparty risk.

KYC means know your customer and is the identity verification and due diligence process conducted by ZR Markets in accordance with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) and Applicable Regulations before opening a trading account for a prospective Client.

Long means a position opened by buying a Margin FX or other CFD contract, which will generate a profit if the price of the underlying instrument rises and a loss if the price falls.

Maintenance Margin means the minimum amount of equity a Client must maintain on a Margin FX or other CFD position after a purchase has been made to avoid the termination of that position.

Margin means the Initial Margin or Variation Margin, or both.

Margin Call means a demand for additional funds made to the Client by ZR Markets to meet any additional margin requirement.

Margin FX means margin foreign exchange contract.

PDS refers to this Product Disclosure Statement as amended, supplemented, or updated from time to time.

Platform means the electronic trading platform made available by ZR Markets to Clients for the purpose of trading in its financial products and managing Client accounts, as further described in the User Agreement.

Privacy Policy refers to ZR Markets' Privacy Policy (available at https://www.zr.au/) as amended, supplemented, or updated from time to time.

Risk Warning Notice means the risk warning notice issued by ZR Markets to Clients, which forms part of the Agreement and sets out the key risks associated with trading in Margin FX and other CFDs. The Risk Warning Notice is available at www.zr.au.

Rollover Interest means the interest added or deducted for holding a position open overnight. Where a Margin FX or CFD position is held open past 5:00 pm New York time, a Rollover Interest adjustment is applied to your account. The adjustment may be positive or negative depending on the interest rate differential of the applicable currencies or underlying instrument. Rollover Interest is also referred to in this PDS as **Premium** and Daily Financing Fee - all three terms have the same meaning. See section 15 for full details of how Rollover Interest is calculated and applied.

Service Provider means any third-party provider engaged by ZR Markets to provide services in connection with the operation of its trading platform or the provision of its financial services, including (without limitation) liquidity providers, technology providers, clearing and settlement providers, and identity verification providers.

Short means a position opened by selling a Margin FX or other CFD contract, which will generate a profit if the price of the underlying instrument falls and a loss if the price rises.

Sophisticated Investor means a "Sophisticated Investor" pursuant to s 761GA of the Corporations Act.

Term Currency means the currency of the position you have taken.

Third Party Providers means agents, vendors or partners engaged by ZR Markets who generate or supply financial market data, quotes, news, analyst opinions, research reports, graphs or other market information made available to Clients through ZR Markets' services.

TMD means ZR Markets' Target Market Determination as amended, supplemented, or updated from time to time.

Underlying Instrument means the financial instrument, asset, index, currency pair, commodity, security or other reference asset to which a CFD or Margin FX contract relates, including (without limitation) major and minor currency pairs, precious metals (including XAU/USD and XAG/USD), major global indices (such as the S&P 500, FTSE 100 and ASX 200), commodities (such as gold, silver and oil), major global shares, treasuries, futures contracts, as made available by ZR Markets on its trading platform from time to time.

User Agreement means the agreement provided to you by ZR Markets, detailing the applicable terms and conditions as amended, supplemented or updated from time to time, and which forms part of the Agreement (as defined in this Glossary). You must agree to the User Agreement, and have your account approved by ZR Markets in order to set up an account with ZR Markets to deal in products issued by ZR Markets.

Variation Margin means the amount deposited by the Client with ZR Markets including any increase or reduction arising from settlement of a closed position.

We, Us, ZR Markets means Zircon Financial Service (Australia) Pty Ltd (ACN 672 642 054, AFSL 562700).

Website Terms and Conditions means the terms and conditions governing access to and use of ZR Markets' website at www.zr.au, which form part of the Agreement.