

ETORO AUS CAPITAL LIMITED PRODUCT DISCLOSURE STATEMENT EXCHANGE TRADED FUTURES

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eToro AUS Capital Limited
ABN 66 612 791 803
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Important Notice

This document contains the Product Disclosure Statement (**PDS**) which relates to the Exchange Traded Futures (**Futures** or **Product(s)**) offered on the eToro Trading Platform by eToro AUS Capital Limited ABN 66 612 791 803.

This PDS has been prepared without consideration of your individual objectives, financial situation, or needs. Before deciding to invest in the Product, you should:

- Carefully read and consider all sections of this document, and determine whether the trading you intend to undertake is suitable in light of your personal objectives, financial situation, and needs;
- Review the explanatory materials issued by the relevant exchange on which the products trade. For example, in respect of Futures listed in Chicago Mercantile Exchange (CME), you should read the various documents which can be accessed through [CME Rulebook](#) or you can visit CME's [education materials](#).
- Ensure you understand the contract specifications of the products you wish to trade;
- Familiarise yourself with your rights and obligations under the terms and conditions governing trading with us;
- Recognise that trading in Futures carries a risk of loss, and carefully assess whether such trading aligns with your investment objectives, financial circumstances, and risk tolerance. These products may not be suitable for all retail investors. You should consider whether Futures are appropriate for you, taking into account your objectives, financial situation and needs. We recommend you obtain independent financial advice before making a decision to trade with us; and
- Only trade in Futures if you clearly understand the nature of this product and the extent of your potential exposure to risk.

This PDS contains essential information. Please contact our team with any questions you may have about its contents. We recommend keeping a copy for your records.

While this document is current at publication date, it may be updated periodically. Minor changes which are not materially adverse to clients will be posted on our website, while significant modifications may require a new or supplementary PDS. The most recent version of this PDS, including any updates or supplementary documents, will be available on our website at www.etoro.com. You can ask us to provide a link to a digital copy of any updated information, which we'll do free of charge – just contact us at www.etoro.com/customer-service/.

1. Important Information

1.1 About eToro Australia

eToro AUS Capital Limited (**eToro AUS, we, us or our**) is an Australian incorporated company, regulated by the Australian Securities and Investment Commission (ASIC) and holds an Australian Financial Services Licence (AFSL) No. 491139, under which it is authorised to issue and deal with derivatives (including the Product described in this PDS) to retail and wholesale clients.

eToro AUS is part of the eToro group of companies. For further information about eToro AUS, you should read our Financial Services Guide (FSG) and other information available at our [website](#) (follow through to the section for eToro AUS).

eToro AUS provides the eToro Trading Platform to you as described in the Financial Product Terms. None of the other companies in the eToro group guarantee the performance by eToro AUS of its obligations to you.

1.2 eToro AUS does not provide Personal Advice

eToro AUS recommends that you consult your adviser or obtain independent advice before trading. If you consult or have engaged an adviser, you should obtain a copy of their FSG and other relevant documents. eToro AUS does not endorse any representations made by any third party about us or the Product described in this PDS.

1.3 This PDS

This PDS has been prepared by eToro AUS. For the purposes of Section 1012B of the Corporations Act 2001, we arrange to issue the Futures in this PDS.

This PDS describes the Futures that are issued to you in accordance with the Financial Product Terms. You should read all of this PDS and the Financial Product Terms before making a decision to deal in financial products covered by this PDS. This PDS describes the key features of the Futures, their benefits, significant risks, the costs and fees of dealing in them and other related information.

This PDS makes the required disclosures to help you decide whether the Futures described in this PDS are appropriate for you. You may also use this PDS to compare this financial product with similar financial products offered by other licensees.

Some expressions used in this PDS have definitions given in the Glossary (see [Section 11](#)).

1.4 Futures Overview

This PDS describes the Futures products offered by eToro AUS.

Key points to consider:

- Product type: Futures are leveraged derivative products traded on international exchanges.

- Key benefits: Ability to gain leveraged exposure to underlying assets; standardised and interchangeable contracts; reduced counterparty risk through clearing house arrangements.
- Key risks: Futures are leveraged products, and you can lose more than your initial margin. You face market volatility risk, liquidity risk, gap risk, counterparty risk, foreign exchange risk and close-out risks.
- Key costs: Trading Futures involves commission fees (which vary by contract type), overnight fees for certain Futures, potential bank, conversion fees, and applicable taxes, with no eToro-imposed spreads and no interest paid on cash balances.
- No variation margin: eToro AUS does not have a mechanism to call for “Variation Margin” at position level which is standard market practice. While we ask for Initial Margin that exceeds that called by the Clearing House, and impose mandatory Stop Losses, you should only trade Futures if you are willing and able to actively monitor your positions. We may apply margin calls at Account level. We may, in our absolute discretion, close out any open position and are not responsible to you for any losses you incur.
- Early expiry: eToro’s Futures are cash-settled only and eToro AUS reserves the right to close out any open position you hold if you have not closed out the Futures Contract before the Expiry Date. The value of Futures may fluctuate as they approach the Expiry Date.
- No cooling-off: Statutory cooling-off rights do not apply to Futures. Once a position is executed, you cannot cancel it and must close it out in the market.

1.5 Your Suitability to Deal with Futures

To the extent permitted by law, we do not accept liability for your choice to invest in any Futures so you should read all of this PDS and the Financial Product Terms carefully, consider your own needs and objectives for investing in Futures and take independent advice if you see fit. If we accept your application to deal in Futures, this does not constitute personal advice or any other advice to you.

During the Account establishment process, you will be required to complete an assessment to assist us to assess whether you are likely to be in eToro’s target market for our Futures. You can only start trading our Futures once this assessment is complete and you are assessed as likely to be in eToro’s target market.

Our assessment of whether you are in our target market is based on information we ask for and you give us. You must not rely on our assessment since it is based on the information you provide and the assessment is only for our purposes of deciding whether you are likely in the target market so that we may offer Futures products to you.

You remain solely responsible for your own assessments of the features and risks, all losses and for transactions with eToro AUS. We recommend that you obtain independent financial advice before making a decision to trade with us.

1.6 Contact

For further information about eToro AUS, you should read our FSG available on our website and other information about the services we provide available on our website.

eToro AUS can be contacted at:

Registered and business address	eToro AUS Capital Ltd Level 3, 60 Castlereagh St Sydney NSW 2000 Australia
Website	www.etoro.com
Customer service	www.etoro.com/customer-service/

1.7 Jurisdictions

eToro AUS's operations are governed by the laws in Australia. The distribution of this PDS in jurisdictions outside Australia may be subject to legal restrictions. Any person who resides outside Australia who gains access to this PDS should comply with any such restrictions and failure to do so may constitute a violation of financial services laws.

eToro AUS may decline applications for Accounts, or for access to particular kinds of Futures at any time and from time to time for any reason.

1.8 Privacy

All the information collected by eToro AUS, in the application form or otherwise, is used for the purpose of providing you with the financial products and services, maintaining your Account, and for the purpose of assessing whether you would be suitable as a client. For more information, please visit our website: [Privacy Policy](#).

2. Product Features

The following information identifies some of the key features of Futures. For a more detailed description of Futures listed on **CME**, you should read the various documents which can be accessed through [CME Rulebook](#) or you can visit CME's [education materials](#).

2.1 Exchange Traded Derivative

Futures are legally binding agreements to either (1) deliver (sell) or take delivery of (buy) a specified amount of standardised underlying asset at a specified time or (2) make or receive cash payments based on a change in price of an underlying asset at a specified time.

Futures are exchange-traded, that is, all transactions are facilitated through a futures exchange.

Dealing in Futures, as derivative contracts, does not give you any beneficial interest in the underlying asset nor any right to acquire the underlying asset itself. This is different from direct trading in the underlying asset where you acquire a beneficial interest in the underlying financial product. As the holder of Futures, you do not have a beneficial interest in the underlying asset, and you have none of the rights of an investor who holds the financial product itself.

2.2 Types

There are two main types of Futures based on the way they are settled:

- **Deliverable Futures** (also termed non-financially settled): a contract where the seller agrees to deliver to the buyer, and the buyer agrees to take delivery of the quantity of the underlying assets (such as a commodity) described in the contract.
IMPORTANT: eToro AUS does not permit its clients to make or take delivery of the underlying asset of a Futures contract. We require clients who trade such types of Futures to roll forward or close out the position prior to eToro's Closing Deadline specified on the eToro Trading Platform's asset page. It is therefore not advisable to enter into Deliverable Futures in the last weeks before eToro's Closing Deadline. See [Section 2.8](#) for further details.
- **Financially Settled Futures** (also termed cash settled): a contract where the seller and buyer agree to make a cash adjustment between them according to whether the price of the underlying asset (such as commodity, financial instrument or index) has risen or fallen since the time the arrangement was made.

In addition to the settlement types described above, the Futures available on the eToro Trading Platform fall into two categories based on their contract specifications:

- **Micro Futures** are standardised exchange-traded Futures with reduced contract sizes related to their full-sized equivalents;
- **Spot-Quoted Futures (SQFs)** have smaller contract sizes than the corresponding Micro Futures and are priced at or near the spot price (not the forward price). The exchange applies a daily adjustment for financing factors (e.g., dividends, interest rates and funding costs), which is passed through as a daily overnight fee (see [Section 5](#)). SQFs may also have longer maturities than Micro Futures.

Both Micro Futures and SQFs operate in the same way in all other material respects, including in relation to margin requirements, clearing arrangements and settlement. The specific contract specifications for each Futures product available on the eToro Trading Platform, including contract size and maturity cycle, are set out on the eToro Trading Platform's asset page.

2.3 International Product

Futures are international products and are traded on an international exchange. Your obligations and contract requirements will differ according to the specific rules of the relevant exchange, and you will need to understand how this affects you.

2.4 Duration

Futures may have maturity periods of annually, quarterly or monthly. Futures generally have contract maturity dates which follow a pre-determined cycle. For example, in the Micro E-mini S&P 500 Index Futures contract traded on CME, contracts can be made for settlement only in March, June, September and December – the “quarterly” cycle. For Futures with quarterly cycles, eToro AUS will usually list as available the first two quarters at any one time (nearest quarter and the next quarter). For Futures with monthly contracts, eToro AUS will usually list as available the six consecutive months at any one time.

2.5 Standardised

Futures are standardised contracts traded on regulated international exchanges. Given the standard contract terms of these products, Futures are interchangeable, meaning they can be closed out against an opposite position in the same contract. However, as eToro AUS trades on your behalf, all Futures transactions must be entered into and closed out via our platform and cannot be transferred to another broker or exchange. A Client who buys a given Futures contract can cancel the position by selling that same contract. The net result is that the client no longer holds a position. Similarly, a Client who sells a given Futures contract can cancel the position by buying the same contract.

In each case there will be a profit or loss equal to the difference between the buying and selling prices multiplied by the standard contract amount less any transaction costs. In practice, the vast majority of Futures are offset in this manner ahead of the contract maturity date, the remainder being fulfilled by delivery or cash settlement at maturity.

As a consequence of Futures standardisation, the price of the contract is the only factor that remains to be determined in the marketplace by the buyers and sellers. For example, on CME, Futures are quoted and traded on an electronic trading platform, which provides a system of continuous price discovery. This means that the price at which trades take place may continually change throughout a trading session.

2.6 Execution Arrangements

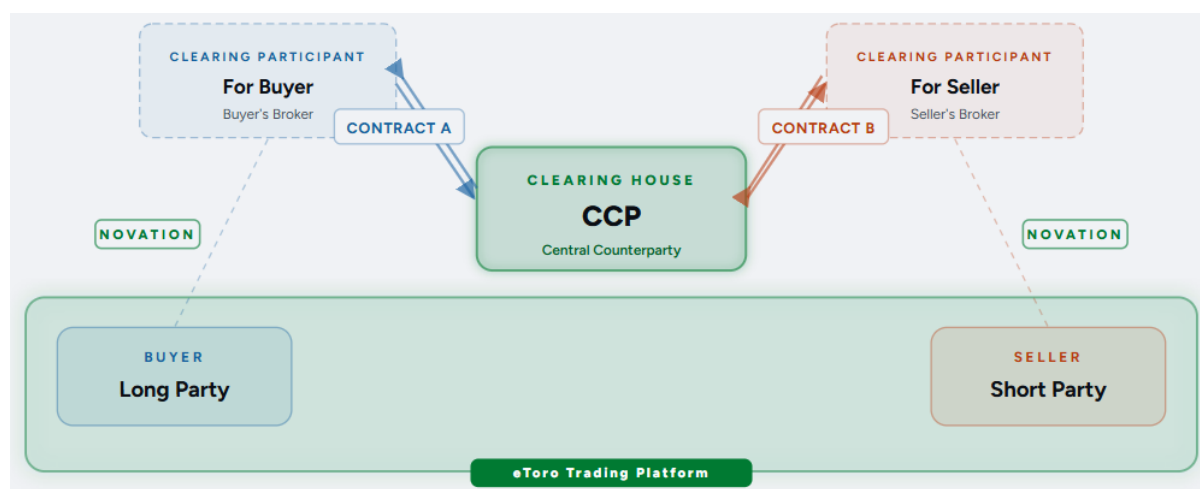
When a client enters into a Futures contract with eToro AUS, we will arrange, directly or through instructing our affiliate, for the execution of those contracts by a participant of the relevant international exchange, as well as custodial or depository services.

2.7 Clearing Arrangements

International exchanges, including CME, will generally have a central counterparty which clears and settles transactions entered into on the relevant exchange, typically this is referred to as the "Clearing House." Clearing Houses clear and settle the transaction in products executed on the relevant exchange. The primary role of the Clearing House is to guarantee the settlement of obligations arising under the contracts registered with it. This means that when your broker buys or sells a Futures contract on your behalf, neither you nor your broker needs to be concerned with the credit worthiness of the broker taking the other side of the contract.

eToro AUS is not a member of any Clearing Houses. eToro AUS will arrange, directly or via an affiliate, with a participant (**Clearing Participant**) of the relevant clearing house (which may be an affiliate of eToro AUS) to clear Futures contracts entered into on your behalf. Clearing Participants are bound by the operating rules of the relevant market and Clearing House (**Clearing Rules**).

When a Futures contract is registered with the Clearing House, the original contract is terminated and replaced by two contracts (assume they are called Contract A and Contract B). Contract A is between the Clearing Participant who clears the contract for the buyer of the Futures and the Clearing House. Contract B is between the Clearing Participant who clears the contract for the seller of the Futures and the Clearing House. In this way, the Clearing House becomes the counterparty to both Contracts A and B. This process of registration and creating of two new contracts is called "novation". In simple terms, the Clearing House becomes the buyer to the selling broker, and the seller to the buying broker.



You, as our Client, are not a party to Contract A or B which are the contracts registered with the Clearing House. Although we may act on your instructions, upon registration of the Futures with the Clearing House in the name of the Clearing Participant, the Clearing Participant (which may be an affiliate of eToro AUS or a participant of an international exchange) incurs obligations to the Clearing House as principal, even though the contract was entered into on your instructions.

The Clearing House ensures that it is able to meet its obligation to Clearing Participants by calling a deposit known as the "Initial Margin" and additional deposits known as "Variation Margin" to cover any unrealised losses in the market. See [Section 2.9](#) for further information on Clearing House margins.

The benefit of the Futures contract will be held for the relevant Clearing Participant for its client (which may be an affiliate of eToro AUS) in an omnibus account (together with the

other clients of the Clearing Participant). eToro AUS will hold the benefits or rights of your open positions for you (as an undisclosed principal to the arrangement) either directly or by arranging for custody with an affiliate or counterparty. You remain exposed to counterparty risk if eToro AUS fails to perform its obligations to you as your counterparty.

2.8 Closing Out and Settlement

Futures have a fixed Expiry Date, usually a year, a quarter or a month from when the position is first opened, unless stated otherwise on the eToro Trading Platform.

Your position will remain open until it is either closed out by you before the Expiry Date or the position reaches its Expiry Date.

For Deliverable Futures (as defined in [Section 2.2](#)), eToro AUS may impose shorter holding periods due to market conditions or product settings. This is referred to in the eToro Trading Platform as “eToro’s Closing Deadline”. eToro’s Closing Deadline is typically set at one business day before the “First Notice Day”, which is defined by the exchange. It is your responsibility to monitor your open Deliverable Futures as they approach eToro’s Closing Deadline and to close it out. eToro AUS reserves the right, in its absolute discretion, to close out any open position you hold in a Deliverable Futures if you have not closed out that Futures contract before the Expiry Date.

For Financially Settled Futures (as defined in [Section 2.2](#)), the Expiry Date is in accordance with the settlement date published by the relevant exchange.

When closing Futures, you have an obligation to pay or have a right to receive an amount of money depending on the price movement of the underlying asset.

2.9 Clearing House Margin

This section contains a description of the basis upon which the Clearing House calls margin from its Clearing Participants. These margins may or may not correspond with the margin we call from you. For a description of our margin requirements and arrangements, see [Section 3](#).

As the Clearing House contracts with Clearing Participants as principals, where a Clearing Participant has an exposure under a Futures contract to the Clearing House, the Clearing House will call amounts of money (or other assets) known as “Margin” from the Clearing Participant as cover.

Margins are generally a feature of exchange traded derivative products and are intended to help protect the Clearing House against default of a Clearing Participant. A margin is the amount calculated by the Clearing House as necessary to cover the risk of financial loss on a Futures contract due to an adverse market movement. Margin is typically calculated using the Clearing House’s risk-based methodology, which assesses the potential risk of positions based on various market scenarios.

The total margin called by the Clearing House for Futures is generally made up of two components, in each case, determined by the Clearing House:

- **Initial Margin:** is calculated to cover the maximum expected movement in the market from one day to the next. Minimum initial margins are set by the Clearing House or the international exchange or both and may vary from time to time according to the volatility of the market. This means that an initial margin may change after a position has been opened, requiring a further payment (or refund).

International brokers (or participants of Clearing Houses) with which eToro AUS arranges to execute or clear your transactions on international exchanges are generally required under the operating rules of the international exchange or Clearing House to call an initial margin on each trade equal to at least the minimum initial margin set by such Clearing House.

Brokers such as eToro AUS may call for initial margin exceeding that called by the Clearing House to manage the risk of the transaction. Liability for initial margin occurs at the time of the trade and we may require you to pay it before any trading is conducted on your behalf. For a description of our margin requirements and arrangements, see [Section 3](#).

- **Variation Margin:** must be paid in respect of a Futures contract showing a loss, i.e. if the market falls after a purchase or rises after a sale. Losses can be incurred before a contract is closed out, if the market moves against the position. Futures positions are re-valued on a daily basis, and any deterioration in the position will result in Variation Margin being called. Variation Margin is also paid by the Clearing House if the Futures contract shows a profit.

eToro AUS does not have the mechanism to call for “Variation Margin” as described above, instead eToro AUS calls for initial margin that exceeds that called by the Clearing House. For a description of our margin requirements and arrangements, see [Section 3](#).

2.10 Profit & Loss when Trading Futures

Futures allow you to make a profit or loss from changes in the market price (or level) of the underlying asset, without actually owning the full value of the underlying asset or having any direct interest in the underlying asset.

In simple terms, the amount of any profit or loss made on the contract will be equal to the difference between the price of the contract with reference to the underlying asset when the contract is opened and the price of the contract with reference to the underlying asset when the contract is closed, multiplied by the number of contracts held less any transaction fees.

You can take both buy (long) and sell (short) positions. If you take a long position, you profit from a price rise in the underlying asset, and you lose if the price of the underlying asset falls. Conversely, if you take a short position, you profit from a fall in the price of the underlying asset and lose if the underlying asset's price rises.

2.11 Cooling-Off

There is no cooling off arrangement for Futures contracts. If you change your mind after placing a Futures contract order with eToro AUS, you may request to discard any non-transmitted order or request to cancel a transmitted order.

However, you should note that due to the nature of exchange based trading, while you may request to cancel your order, such request may not be successful if your order has traded against another order in the time between when you request to cancel it and when that instruction is processed by the relevant exchange. In this case, you must close it out, pay any transaction fees and take the risk of incurring a loss in doing so.

3. eToro AUS Margin Requirements

[Section 2.9](#) discusses the margin requirements imposed by the relevant Clearing Houses on Clearing Participants, this section deals with the margin requirements imposed by eToro AUS on you, as our Client, under our agreement with you.

3.1 Single account

When you open an Account with eToro AUS, you open a single account through which you can trade not only Futures but also other products such as shares (through interests in a managed investment scheme), contracts for differences and digital assets, subject to passing the relevant product specific appropriateness tests.

3.2 Initial margin

You must pay the initial margin required for each position before we make arrangements for your Futures order. The initial margin could be available either by depositing funds in your Account or because there is already sufficient balance held in your Account. If there is insufficient balance in your Account then the position cannot be executed.

3.3 Initial margin cover calculation

We determine the margin requirement (initial margin requirement) for each Futures contract available on the eToro Trading Platform by risk-based analysis models which, amongst other metrics, take into account the margins called by the Clearing Houses.

Ordinarily the initial margin requirements for each Futures contract are calculated to cover the maximum expected movement in the market in the near future without needing to call for additional or variation margin for each Futures. Initial margin requirements may change at any time.

The Clearing Participant or the relevant international exchange may change the margin required to maintain your position at any time after a position has been opened due to market changes. However, as stated above, eToro AUS already considers the expected market movement in the calculation of initial margin requirement in setting the mandatory cap for a Stop Loss order (See [Section 3.4](#)).

eToro AUS will not call for a variation margin at position level as is standard market practice. Instead, if your position's valuation is close to the mandatory cap for a Stop Loss order, you have the following options:

1. close the position yourself;
2. keep it open until it is either closed out by the Stop Loss being triggered or on the Expiry Date (or eToro's Closing Deadline in case of Deliverable Futures contract); or
3. invest more funds in your position to keep it open by changing your Stop Loss order in the eToro Trading Platform.

It is your responsibility to actively monitor and manage your open positions.

3.4 Stop Loss Orders

eToro AUS may, at its discretion, accept an order from you to close a position if the price moves to or beyond a level specified by you. This is known as a “Stop Loss order”.

In the case of Futures, a mandatory cap for a Stop Loss order amount is set by us. If you prefer to take a higher risk of acceptable loss compared to the capped amount, the excess will be taken from your Account’s available cash balance.

You would generally elect to place a Stop Loss order to manage your risk exposure. Stop Loss orders are commonly used to exit positions and to protect investments if the market moves against an Open Position.

For example, if your Open Position moves towards making a loss based on a level chosen by you, the Stop Loss order would be triggered to close your Open Position.

All Stop Loss orders are subject to agreement by us, so you cannot be assured that you will always be able to execute a Stop Loss order. While eToro AUS has absolute discretion whether to accept a Stop Loss order, it will generally try to do so, subject to market conditions, compliance and operational configuration and the reasonableness of your Stop Loss order.

Your Stop Loss Order may be unreasonable if, for example, the level you have specified is too far away from the market price, of the underlying asset, or if trading in the underlying asset has been halted or suspended on the market.

Even if we accept your Stop Loss order, market conditions may move against you rapidly. It is possible that you may receive the best available price on the market, which is less favourable than the one you have requested from eToro AUS. A gap in market prices reflects the market for the Product, and can occur for any reason, without any apparent reason or at any time.

3.5 Margin call at Account level

In the eToro Trading Platform, your Account goes into margin call if your Account (the single account defined in [Section 3.1](#)) is close to approaching zero.

IMPORTANT: eToro AUS will notify you when a margin call arises, but is not obliged to give you an opportunity to provide further funds. This notification is given electronically via the eToro Trading Platform. You must deposit additional funds promptly upon notification. If you fail to meet a margin call, we may close out your positions without further notice. eToro will not make margin calls at a position level.

You should be aware that your Account can go into margin call because changes in valuation of your Futures and other assets are automatic, reflecting the changes in market value of all of your investments.

To avoid automatic closure of existing Futures positions, you may:

- close out existing positions yourself to increase your Account cash balance; or
- pay additional funds in to your Account; or
- a combination of the above.

If actions taken (or inaction) result in a negative portfolio value, eToro AUS will liquidate all, or part of, the assets held in your Account, or otherwise close your open positions to

eliminate the deficiency in assets. We will apply negative balance protection at your Account level.

You should carefully review the [terms of the agreement](#) between you and eToro AUS carefully to understand your rights and obligations.

4. Client Money

4.1 Treatment of Client Money

Money that you pay to eToro AUS for the Futures is initially deposited into a trust account maintained by eToro AUS, which is referred to in this PDS as the “**eToro AUS client money trust account**”. You may make your deposit by using electronic transfer, credit card or other means approved by us.

eToro AUS only permits clients to trade on cleared funds. eToro AUS recommends that when credit cards are used as an account funding method that no more than \$1,000 is used as an initial payment. IMPORTANT: When dealing in Futures you may incur a loss which is far greater than the amount that you have paid and you should consider this when you use a credit card to fund your Account.

The money paid by you into the eToro AUS client money trust account is held for you and segregated from our own funds until lawfully withdrawn by us. This means your funds are not available to pay general creditors in the event of receivership or liquidation of eToro AUS (unless a Court orders differently).

You should be aware that, generally, for trust accounts such as the eToro AUS client money trust account:

- Individual clients do not have separate or segregated accounts.
- All Client monies are combined into one account and separately ledgered to eToro clients.
- Money and other assets in the trust account that belong to non-defaulting clients are potentially at risk of being withdrawn and not being repaid even though they did not cause the default.

eToro AUS is entitled to retain all interest earned on the money held in the eToro AUS client money trust account.

4.2 Australian Client Money Rules

eToro AUS will deal with client monies in accordance with the Australian Client Money Rules. These Rules:

1. limit (or in many cases, prohibit) a financial services licensee’s (including eToro AUS) entitlement to withdraw client moneys from its client money trust account:
 - for the licensee’s use for working capital;
 - for the licensee meeting obligations incurred by it other than on behalf of the client; and

- for the purpose of the licensee entering into, or meeting obligations under, transactions that the licensee enters into to hedge, counteract or offset the risk to the licensee associated with a transaction between the licensee and the client; and
2. impose record-keeping, reconciliation and reporting obligations on licensees that hold “derivative retail client money”.

When you use the Futures product, you, as Client, direct eToro AUS to use the money paid by you as margin to meet the contractual obligations among relevant parties in order to fulfill your order. Money may be paid directly by eToro AUS (or through an eToro affiliate) to Clearing Houses or to participants or foreign exchanges to meet margin and settlement obligations. Money paid out to and held by participants of international exchanges or the Clearing House of the relevant international exchange will not be held by eToro AUS according to the Australian Client Money Rules, rather it will be held in accordance with the rules of the relevant jurisdiction. In those circumstances, funds may not have the same protection as funds deposited in Australia in a trust or clients’ segregated account.

IMPORTANT: Clients who trade or wish to trade Products on international exchanges may be required to meet the obligations for a transaction in a foreign currency (other than Australian Dollars) and may be entitled to delivery of foreign currency upon settlement.

4.3 Investment of Client Moneys

eToro AUS is entitled to place money paid by you into the eToro AUS client money trust account into certain permitted investment types, including:

- (a) an investment in any manner in which trustees are for the time being authorised by law to invest trust funds;
- (b) a deposit with an eligible money market dealer;
- (c) a deposit at interest with an Australian Depository Institution;
- (d) for the acquisition of cash management trust interests;
- (e) securities issued or guaranteed by the Commonwealth or a State or Territory;
- (f) as deposit with a licensed clearing and settlement facility.

All earnings relating to such investments will be retained by eToro AUS. The realisation of any investment may result in the automatic roll-over of the relevant capital into an equivalent product, or into another investment type listed above, or to the money being returned to the client money trust account.

5. Fees and Charges

The following is a summary description of the fees and charges associated with trading in Futures. For more information, please visit [eToro's Fees and Charges page](#).

Relevant fees and charges associated with a Futures transaction will be disclosed on the trade confirmation screen (look for tooltip) upon opening a position.

Fee Types	Fee Amount
Spread	Not applicable Market bid/ask spreads apply as determined by the relevant international exchange. However, eToro AUS does not charge its own spread for Futures.
Overnight Fees	For Spot-Quoted Futures, CME uses a daily adjustment mechanism to ensure price consistency between Spot-Quoted Futures and the underlying spot market. Each day, an adjustment amount is applied to open positions, accounting for real-world factors such as dividends, interest rates, or funding costs. For you, the impact of the adjustment amount will be reflected by the application of a daily overnight fee.
Commission Fees	Varies per Futures type. See eToro's Fees and Charges page for further details from time to time.

5.1 Taxes

You are responsible for any transaction duty, GST or similar goods and services or value added tax payable in respect of trading in Futures (except for any income tax payable by eToro AUS). The taxation implications of trading in Futures will depend on your particular circumstances and it is recommended that you obtain your own independent taxation advice. For further details refer to [Section 9](#).

5.2 Interest on Cash Balances

You do not receive interest on money held for you in the eToro AUS client money trust account. eToro AUS does not pay any interest on cash balances in your Account even if paid to eToro AUS by any third party, unless otherwise agreed in writing.

5.3 Bank Fees

You may incur fees imposed on your Futures order by your bank or intermediary banks. eToro AUS is not responsible for these additional charges.

5.4 Conversion Fees

eToro AUS will convert any profit or loss of your Futures transactions from the trade currency to the fiat currency of your Account at our exchange rate which may be different to the spot foreign exchange rate.

5.5 Third Party Fees

If eToro AUS is charged fees by third parties (e.g., bank charges on international payment transfers and credit card payments in connection with your use of the Futures product), eToro AUS may pass these fees on to you. These fees are not part of our financial product, but you might incur them in relation to your payments to us or receipts from us.

For example, if eToro AUS is charged a credit/debit card/e-wallet fee for receiving your payment, eToro AUS will charge you for that (and any GST), and apply that to your Account.

If there is a chargeback for any payment to your Account (whether made by you or in your name), you may be responsible for covering any reversed payments and charge back fees incurred by eToro AUS.

6. Significant Benefits

1. Futures are standardised and interchangeable, which means you can generally open and close positions through the international exchange or Clearing House, depending on the liquidity of the market.
2. Where a Futures transaction is cleared, the Clearing House becomes the counterparty to the cleared contracts and manages settlement, which can reduce counterparty risk. This gives eToro AUS greater certainty that cleared obligations will be performed. However, you will still have counterparty exposure to eToro AUS.
3. Our Futures enable you to take a trading position with an exposure to a particular underlying asset without needing to buy or sell the underlying asset.
4. Relatively low transaction costs mean Futures may be a cost effective and convenient way of gaining exposure to movements in the price (or level) of an underlying asset without having to buy the underlying commodity, instrument or security itself.
5. Futures can be used to take a view on price movements in an underlying asset. Depending on market movements and your strategy, this may result in a profit or a loss.
6. You can use the Futures to hedge your existing exposure to an underlying commodity, instrument or security.
7. You can deal in our Futures with a view to potentially profiting in both rising and falling markets depending on the strategy you have employed.
8. Our Futures involve leverage that allows you to invest a relatively small amount (in the form of the Initial Margin) to have an exposure to the underlying asset without having to pay the full price of the underlying asset. Leverage can amplify both gains and losses and may increase the likelihood and size of losses (see [Section 7](#)).

IMPORTANT: Leverage can work against you as well as for you. The use of leverage can lead to large losses as well as large gains.

7. Significant Risks

Dealing in Futures involves a number of significant risks. Before trading, you should seek independent advice and consider carefully whether our Products are appropriate for you given your experience, financial objectives, needs and circumstances.

7.1 Key Risks

You should consider these key risks involved in our Products:

KEY RISKS	IMPORTANT ISSUES															
Loss from leverage	<p>Since Futures are leveraged products, you may choose to trade Futures that can lead to large losses as well as large gains. The degree of leverage offered in our Products can work against you as well as for you. The following example is provided for illustrative purposes only. It assumes a single Futures contract with 10% initial margin and does not account for transaction costs, overnight fees, currency conversion or other potential costs. Actual outcomes may differ materially.</p>															
	<table><tr><th></th><th>Shares</th><th>Futures</th></tr><tr><td>Upon opening of trade</td><td>Price: \$10 per share Buy 100 shares Cost: \$1,000</td><td>Price: \$10 per underlying share Buy 1 contract (1 contract = 100 shares) Cost: \$100 Initial margin required is 10% of Contract Value</td></tr><tr><td>Upon maturity</td><td>Price: \$8 per share Sell 100 shares Proceeds: \$800</td><td>Price: \$8 per underlying share Sell 1 contract @ \$8</td></tr><tr><td>Loss incurred</td><td>Price movement (\$2 down) x Quantity (100 shares) = \$200</td><td>Price movement (\$2 down) x Quantity (100 shares) = \$200</td></tr><tr><td>Loss as percentage of your cost</td><td>Loss (\$200) / Cost (\$1,000) = 20%</td><td>Loss (\$200) / Cost (\$100) = 200%</td></tr></table>		Shares	Futures	Upon opening of trade	Price: \$10 per share Buy 100 shares Cost: \$1,000	Price: \$10 per underlying share Buy 1 contract (1 contract = 100 shares) Cost: \$100 Initial margin required is 10% of Contract Value	Upon maturity	Price: \$8 per share Sell 100 shares Proceeds: \$800	Price: \$8 per underlying share Sell 1 contract @ \$8	Loss incurred	Price movement (\$2 down) x Quantity (100 shares) = \$200	Price movement (\$2 down) x Quantity (100 shares) = \$200	Loss as percentage of your cost	Loss (\$200) / Cost (\$1,000) = 20%	Loss (\$200) / Cost (\$100) = 200%
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KEY RISKS	IMPORTANT ISSUES
Margin risk	eToro AUS does not have a mechanism to call for “Variation Margin” at position level which is standard market practice. We may make a margin call at Account Level. You must be willing and able to actively monitor your Futures positions and be able to pay eToro AUS the amount of required margin when required, otherwise some or all your transactions may be closed out without notice to you. You could sustain a total loss of the margin that you deposit to establish or maintain your Futures. See Section 3 .
Duration or life span	Futures have a limited life span, and their value erodes as they reach their expiry date. It is therefore important to ensure that the Futures meet your investment objectives and investment horizons.
Deliverable contracts and physical delivery	eToro AUS does not allow for physical delivery and Deliverable Futures will be automatically closed out if you have not taken close out action. See Section 2.8 for further information on settlement.
Time zone difference	You should be aware that outside of Australia, there are significant time zone differences between Australia and major global financial markets. For international exchange traded Futures, your orders will likely be executed outside of normal Australian business hours and/or during the Australian night time. In addition, major market events or events which impact the underlying assets may also take place well outside of normal business hours or normal market hours in Australia. This in turn may have impacts on the values of Futures in your Account.
Foreign currency money rules	<p>Where you instruct eToro AUS to undertake trading Futures on international exchanges that are exchanges outside of Australia, you may be required to have sufficient cleared funds in the relevant currency and/or you may receive amounts in a foreign currency.</p> <p>Foreign currency amounts held by participants of international exchanges and Clearing Houses for an international exchange will be held in accordance with the laws and rules of the relevant jurisdiction and will not have the protection provided by the Corporations Act 2001 (Cth) applicable in Australia. In particular, clients’ monies may not have the same protection as client money deposited in Australia in a broker’s client money account.</p>
Foreign exchange risk	If you trade in Futures on international exchanges, the positions are likely to be denominated in a currency other than Australian Dollars. The holding of positions denominated in a foreign currency exposes you to the potential risk (and potential benefit) of exchange rate fluctuations.
Exchange and Clearing House powers	International exchanges and Clearing Houses commonly have broad discretionary powers in relation to the market and the operation of the clearing facility. They have power to suspend the market operation while the underlying securities are in a trading halt if the circumstances are appropriate, restrict exercise, or substitute another underlying security (or securities), impose position limits or exercise limits or terminate contracts. Whilst such powers ostensibly exist to ensure fair and orderly markets are maintained as far as practicable, the consequence of an exchange exercising such powers may not be economically beneficial to you individually. Actions taken by an exchange may affect your positions.
Local regulators	Neither ASIC nor Australian exchanges regulate activities of foreign international exchanges, nor do they have the power to compel enforcement

KEY RISKS	IMPORTANT ISSUES
may not have any jurisdiction	of the operating rules of a foreign international exchange or any applicable foreign laws. Generally, foreign transactions will be governed by applicable foreign law. This is true even if the international exchange is formally linked with an exchange in Australia.
Counterparty risk on eToro AUS	<p>You have the risk that eToro AUS may not meet its obligations to you under the Futures product.</p> <p>However as explained in Section 6, this is mitigated by the structure of these Products. That is the Clearing House assumes and manages the risk of Futures entered into on the relevant exchange. This reduces the counterparty risk in a way. eToro AUS has the certainty that the other side of the Futures will be honoured, and we (and therefore you) will not be subject to risk that the counterparty may default on their obligations under the contract.</p> <p>However, you do not have a direct relationship with the Clearing House. You will have counterparty risk with eToro AUS, and you bear the risk of eToro AUS not fulfilling its contractual obligations to you.</p>

7.2 Other Significant Risks

You should consider these other significant risks involved in our Products:

KEY RISKS	IMPORTANT ISSUES
Market risk	<p>Financial markets can change rapidly; they are speculative and volatile. Prices of underlying assets depend on several factors including, but not limited to, commodity prices or central bank decisions, interest rates, demand and supply and actions of governments.</p> <p>There is a risk that market prices may move, causing you to have to pay us some or all of your margin at closing.</p>
Market disruptions	Market disruption may lead to you being unable to deal in our financial products when you wish, and you may suffer a loss because of that. This is because the market disruption events which affect the underlying asset will also affect the contract positions on the same or very similar basis.
Orders and gapping	<p>It may become difficult or impossible for you to close out a position. This can happen, for example, when there is a significant change in the price or value of the underlying asset over a short period.</p> <p>eToro AUS's ability to close out a position depends on the market for the underlying asset. Stop Loss orders (and other order types) might not always be completed and, even if placed, might not limit your losses to the amount specified in your order, since there are no guarantees that there will be no loss beyond that envisaged in the order.</p> <p>You should consider placing Stop Loss orders or other orders that might limit your losses, if such orders exist at the time you opened your position, but also closely monitor your Account and the relevant market in case the Stop Loss order is not fully effected or not effected at all and you need to take further action to limit your losses.</p> <p><i>Gapping:</i> The term 'gapping' refers to a situation where a Future opens at a much higher or lower price than the previous close. When 'gapping' occurs, you may not be able to exit an existing position at the price you have specified;</p>

KEY RISKS	IMPORTANT ISSUES
	<p>instead, your order may be filled at the next best price that may be better or worse.</p> <p><i>Slippage:</i> We aim to provide the best possible execution from our systems and fill orders at the requested rate; however, there may be times where, due to an increase in volatility or volume or other market conditions, some price 'slippage' may occur. Execution is also subject to available liquidity in the underlying asset. Your orders may not be filled due to the underlying asset price moving significantly or liquidity exhausted, in which case your order will be filled at the next available price.</p> <p><i>Delays:</i> Execution delays may occur for several reasons such as technical issues with your internet connection to our servers. Connection strength may vary depending on the kind of device used; interruptions may cause a delay in the transmission of data between our servers to the eToro Trading Platform.</p> <p><i>Liquidity:</i> Liquidity risk typically occurs in volatile markets or in circumstances where there is a major news announcement. When there is a lack of liquidity in the underlying asset, you may not be able to enter or exit a transaction at your requested price.</p>
Solvency risk	<p>The risks you have by dealing with eToro AUS cannot be simplistically assessed by reference to historical financial information about eToro AUS or general statements of principle.</p> <p>The credit risk you have on eToro AUS depends on, whether it systematically manages all client Accounts on the same basis, its solvency generally, as well as on the amount (and kind) of its capitalisation, its cash flow, all of its business risks, its client and instrument concentration risks, its counterparty risks for all of its business and transactions (not just the Futures), its risk management systems and actual implementation of that risk management.</p> <p>Your credit risk on eToro AUS will fluctuate throughout the day and from day to day whose credit risk to eToro AUS (and so indirectly to you) cannot be assessed or verified on a continuous basis or perhaps at all. If eToro AUS or any Clearing Participant becomes insolvent, your positions may be transferred to another clearing participant or closed out. Recovery of funds may be delayed or incomplete.</p> <p>You should consider all of those factors and not rely only on past financial statements since that could be materially incomplete information for your purposes, not current and therefore potentially misleading as a guide to the current solvency and creditworthiness of eToro AUS.</p> <p>The eToro AUS annual directors' report and an audited annual financial report is available for inspection free of charge on request by contacting eToro AUS.</p>
Auto liquidation	<p>eToro AUS may liquidate some or all your open positions and all or part of the assets held in your Account if actions taken (or inaction) may result in your Account having a negative portfolio value. This can generate fees and realised losses in your Account. See Section 3.5.</p>
Cancellation for error	<p>eToro AUS may void from the outset any transaction containing or based on any manifest error or a price, or series of prices, which are subsequently determined to be unrepresentative of the actual market valuation of the underlying asset. This is exercised at our discretion, so you have risk of a transaction later being cancelled, whether you were aware that there was an error in the pricing which we later decide has occurred. In the absence of fraud</p>

KEY RISKS	IMPORTANT ISSUES
	<p>or wilful default, we will not be liable to you for any loss, cost, claim, demand or expense following any such cancellation.</p> <p>We consider this to be a low risk, since it does not occur often, but it can occur and you can manage your risk by monitoring the available prices and your Account.</p>
eToro Trading Platform	<p>You are responsible for the way you access the eToro Trading Platform and your other contact with eToro AUS. If you are unable to access the eToro Trading platform, you will be unable to trade in our Futures (including closing them out) or you might not be aware of the current margin cover and margin requirement and so you may suffer loss (and be liable to pay fees) as a result.</p> <p>eToro AUS may also suspend the operation of the eToro Trading Platform or any part of it, without prior notice to you. Although this is considered a low risk since it would usually only happen in unforeseeable extreme situations, eToro AUS has discretion in determining when to do this. If the eToro Trading Platform is suspended, you might have difficulty contacting eToro AUS, you might not be able to contact eToro AUS at all, or your orders may not be able to be executed at prices quoted to you.</p> <p>There is a risk that eToro AUS imposes volume limits on client Accounts or limits or filters on dealing in particular in Futures, which could prevent or delay execution of your orders, at your risk.</p> <p>You have no recourse against eToro AUS in relation to the availability or otherwise of the eToro Trading Platform, nor for technological or software errors or limitations.</p> <p>Operational risk is inherent when trading online. Disruptions in operational processes such as communications, computer networks or external events may lead to trade execution problems.</p>
eToro AUS's powers on default, indemnities and limitations on liability	<p>If you fail to pay, or to provide currency for, amounts payable to eToro AUS or fail to perform any obligation under your transactions, eToro AUS has extensive powers under the Financial Product Terms (including specific terms contained in any Schedule that apply to trading Futures) to take steps to protect its position.</p> <p>For example, eToro AUS has the power to close out positions, to decide whether to accept orders or to execute them and to determine the rates of interest it charges. Additionally, under the Financial Product Terms, you agree to indemnify eToro AUS losses and liabilities, including, for example, in default scenarios.</p> <p>Although these powers, limits on the liability of eToro AUS and the indemnities you give to eToro AUS are extensive and potentially expose you to significant risks, eToro AUS must comply with its obligations as a financial services licensee to act efficiently, honestly and fairly.</p> <p>You should read the Financial Product Terms carefully to understand these matters.</p>
Operational Risk	<p>There is always operational risk in trading in Futures. For example, disruptions in operational processes such as communications, computers and computer networks, or external events may lead to delays in the execution and settlement of a Transaction.</p> <p>We might not be liable to you if losses arise owing to delays, errors or failures in operational processes outside our control, including but not limited to</p>

KEY RISKS	IMPORTANT ISSUES
	faults in the eToro Trading Platform, the Clearing House, the exchange or in the provision of data or services by third parties.
Client money may be withdrawn to pay eToro AUS	<p>The money which you pay into the eToro AUS client money trust account may be withdrawn to pay eToro AUS money to which it is entitled to. This includes amounts for any realised losses as well as for any fees, charges and costs.</p> <p>The money withdrawn to pay eToro AUS is eToro AUS's money (and is not held for you), reducing the amount of money held in the eToro AUS client money trust account held beneficially for you.</p> <p>Funds in the eToro AUS client money trust account can be withdrawn to pay realised losses or fees. Once withdrawn, they are no longer held in trust for you.</p>
Client money held in permitted investments may involve different risks	The money which you pay into the eToro AUS client money trust account may be used to invest in certain permitted investment types. In this case, the risks of such investments may be greater than where money is deposited with an Australian ADI. However, eToro AUS will repay any shortfall suffered as a result of any such investment, meaning that the amount which you pay into the eToro AUS client money trust account will not be reduced due to these investments.
Sanctions Legal Risk	Australia is a member of the United Nations and observes and implements United Nations Security Council sanctions as well as its autonomous sanctions regime. eToro AUS must comply with restrictions imposed by sanctions and may be prohibited from dealing with certain persons or entities. If it appears that you are or may be acting on behalf of a prescribed person or entity, eToro AUS may be required to suspend, cancel or refuse services to you, freeze your assets held by us or close or terminate your agreement with us. If we are required to take action it may result in significant costs to you.

Please be aware that this PDS does not cover every aspect of risk associated with Futures, for instance, you should consider reviewing the resources made available by the operator of the international exchanges upon which you are considering trading.

8. Disputes

If you have a complaint about the financial product or service provided to you, please raise the issue with us by taking the following steps:

Contact eToro AUS and provide the details of your complaint. You may do this by connecting directly to our dedicated Customer Service team or letter to the following:

by email: www.etoro.com/customer-service/; or

by letter:

Level 3, 60 Castlereagh Street
Sydney NSW 2000

When lodging a complaint with us, it is helpful to provide us with your:

Full name;

Contact details;

Details of your complaint (including any relevant attachments or documentation);
and

The outcome you are seeking.

Please note, there is no cost to you to raise a complaint with us. eToro AUS will try to resolve your complaint quickly and fairly. We will aim to acknowledge your complaint within one Business Day, or as soon as practicable. We will do our best to resolve your complaint in the first instance. Where we are not able to resolve your complaint to your satisfaction within five business days, or where you request a written response, we will provide a written response.

Strict timeframes apply. You can expect to receive a formal response via email within 30 calendar days for general and trading related complaints.

In rare cases where external or complex circumstances prevent us from responding in time, we will notify you of the delay and may, with your permission, refer your case to an external body for review.

If you are not satisfied with the final response provided by us, you may exercise your right to complain to the Australian Financial Complaints Authority (AFCA). AFCA is a free and independent external dispute resolution body of which eToro AUS is a member. The contact details for AFCA are:

Website: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority - GPO Box 3, Melbourne VIC 3001

AFCA Member Number: 40378

Please refer to our Public Complaints Policy for additional information such as additional support we are able to offer and our process for closing complaints.

9. Taxation

eToro AUS does not provide tax advice. Our Products may have taxation implications for clients, depending on the current tax laws and administration, the nature of the client for tax laws, the terms of the transactions and other circumstances. These are invariably complex and specific to each client. You should consult your tax adviser before trading in these financial products.

Good and Services Tax (GST)

The purchase and disposal of your Futures over financial products and indices is not subject to GST. GST is payable on brokerage and commissions charged by eToro AUS.

Tax File Number Withholding Rules

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

US Foreign Account Tax Compliance Act (FATCA)

Under the Inter-Government Agreement between the Australian and US Government, eToro AUS has certain obligations to report transaction information to the ATO on US citizens and various US and non-US entities. We may also request you to provide certain FATCA information if you come within the requirements of the legislation.

We do not provide taxation advice, or advice about FATCA. You should consult your personal tax adviser if you believe that you may be impacted by FATCA obligations.

10. Other Information

Additional information relating to Futures not contained in this PDS is available on our website at www.etoro.com. You may also request further information, including a copy of Financial Product Terms and any updated information, by contacting us at the details provided in [Section 1.6](#) of this PDS. We will provide this information free of charge.

11. Glossary

ABN means Australian business number.

Account means your account with eToro AUS established under the Financial Product Terms, including all Transactions recorded in them, for using the eToro Trading Platform.

Account Value means the current value of your Account equity which is calculated by eToro AUS by combining:

- the equivalent balance of your Account in the eToro client money's trust account;
- the value of assets held in your Account which may fluctuate from time to time;
- the Realised/Unrealised Losses and Realised/Unrealised Profits;
- indicative costs to Close Out (fees, Finance Charges); and
- the values of Transactions that are not yet booked.

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

Balance means the funds or posted credit value available in an Account that may be used for dealing in the Futures.

Business Day means a weekday which is not a gazetted public holiday in Sydney.

Client refers to the person who has an Account with eToro AUS.

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

Contract Value means the face value of the contract, and is calculated by eToro AUS by multiplying the applicable price (or, if an index, the level) of the contract by the number of Futures.

Corporations Act means the Corporations Act 2001 (Commonwealth).

eToro AUS client money trust account means the bank account (or any one of several of them) maintained by eToro AUS as a trust account under section 981B of the Corporations Act. The money held in it beneficially for you is credited to your Account.

eToro Trading Platform means any of the online trading platforms provided (or arranged to be provided) by eToro AUS for accessing your Account and placing Orders.

Financial Product Terms means the terms governing both the Products and your Account with eToro AUS for all of your Accounts by which you deal in Transactions (as those terms

are amended from time to time). Variations or additional terms may be notified to you from time to time in accordance with your current Financial Product Terms.

Initial Margin means the amount which you are required to provide to eToro AUS as the initial Margin to open a position.

Margin means the amount of funds paid to eToro AUS and credited to your Account as Margin.

Margin Cover means the amount calculated by eToro AUS as the value in your Account available to meet your Account's Margin Requirement and for any further Futures. It comprises Margin held in the eToro AUS client money trust account (or in a permitted investment type) for you and some part (in the discretion of eToro AUS) of any Realised/Unrealised Loss and any Realised/Unrealised Profit.

Margin Requirement means the minimum amount of Margin required to be maintained in order to maintain your Open Positions.

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

Order means any instruction provided by you to enter into a Transaction or to Close Out a Transaction.

Realised/Unrealised Loss refers to each of the following:

- **Realised Loss** – the amount by which the value of an Open Position on Close Out is less than the value of the Open Position when the Open Position was last valued or if the Open Position has never been valued previously, it is the value when the position was opened; and
- **Unrealised Loss** – the amount by which the value of an Open Position (not on Close Out) is less than the value of the Open Position when it was last valued or if the Open Position has never been valued previously, it is the value when the position was opened.

TFN means tax file number.

Transaction means any of the kinds of Futures which are dealt under the Financial Product Terms.

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