

Title: Important Notice to Retail Clients of IFS Markets Pty Ltd

Dear client,

Following our recent notice of the ASIC product intervention order, which would affect retail OTC market leverage ratios and other trading conditions, we have made a strategic decision to no longer accommodate retail clients under our ASIC licence effective from 28 March 2021.

For all the existing retail clients of IFS Markets Pty Ltd, you are still able to trade until 25 March 2021. However, you are required to close out all your positions by 25 March 2021. Otherwise, we will be forced to close them out by 26 March 2021.

If you would prefer not to be impacted by these changes, and to maintain the same level of leverage that you may be entitled to, you can check to see whether you are eligible for being classified as wholesale client by passing one of the following tests:

1. The Wealth Test

You are considered a wholesale investor if:

- a) you have net assets greater than \$2.5 million AUD, or
- b) you have a gross income of at least \$250,000 AUD per annum for each of the past two financial years.

If you meet either one of the above two criteria, you must also meet the following requirements:

- have a qualified accountant certify in a letter that you satisfy either of those criteria;
- the certification must be no more than 6 months old at the time the offer of financial products is made; and
- this letter will be required to be updated every two years to stay current.

If you would like to know more about the requirement of issuing an accountant certificate and/or a copy of the sample certificate, you can visit the related page on ASIC website at <https://asic.gov.au/regulatory-resources/financial-services/financial-product-disclosure/certificates-issued-by-a-qualified-accountant/>, or you can refer to the Accountant Certificate annexed hereto and marked as Annexure A.

2. The Professional Investor Test

You are considered a wholesale investor if you meet one or more of the following:

- you are a Financial Services Licensee;
- you are a body regulated by APRA, other than a trustee of any of the following (within the meaning of *the Superannuation Industry (Supervision) Act 1993*):
 - i. a superannuation fund;
 - ii. an approved deposit fund;
 - iii. a pooled superannuation trust;
 - iv. a public sector superannuation scheme.
- you are a body registered under *the Financial Corporations Act 1974*;

- you are a trustee of a superannuation fund, an approved deposit fund, a pooled superannuation trust, or a public sector superannuation scheme, within the meaning of *the Superannuation Industry (Supervision) Act 1993* and the fund, trust or scheme has net assets of at least \$10 million;
- you control at least \$10 million (including any amount held by an associate or under a trust that the person manages);
- you are a listed entity, or a related body corporate of a listed entity;
- you are an exempt public authority;
- you are a body corporate, or an unincorporated body, that
 - i. carries on a business of investment in financial products, interests in land or other investments; and
 - ii. for those purposes, invests funds received (directly or indirectly) following an offer or invitation to the public, within the meaning of section 82, the terms of which provided for the funds subscribed to be invested for those purposes.
- you operate a foreign entity that if established or incorporated in Australia, would be covered by one of the paragraphs above.

We note that if a financial product or financial service is or would be provided to a body corporate that is a wholesale client, a related body corporate of that client is also taken to be a wholesale client.

3. The Sophisticated Investor Test

You are considered a wholesale investor if:

- you have traded leveraged FX or CFDs for at least 50 times in the preceding 12 months with a notional value of \$50,000.00 or more, or
- you work or have worked in the financial sector for at least one year in a professional position which requires knowledge of FX or CFDs

Please note, this Sophisticated Investor test is not available to anyone who is an existing retail client of IFS Markets Pty Ltd, unless new financial product is offered by IFS Markets Pty Ltd.

If you believe you are qualified under the Sophisticated Investor test, please complete the details, and provide the relevant supporting documents for our assessment. Once we have assessed you to be qualified under this category, we will advise you of our decision. Upon you signing the acknowledgement form (Annexure B), you will be classified accordingly.

4. The Size of Business Test

The financial product or service is provided for use in connection with a business that is not a small business. For a business to be considered as NOT a small business, the business must have:

- 20 or more employees; or
- if the business is or includes the manufacture of goods, then 100 or more employees.

If you believe that you qualify under this criterion, you will need to submit written confirmation by a Director where the client is a Corporation (or the Trustee where the client is a Trust) that proposed services and products are for use in connection with the business and that the business is not a small business (as defined above).

In the event that you are eligible for any of the above tests, we are not required to provide you with a Financial Service Guide, Product Disclosure Statement or any other retail disclosure documents. You will not be entitled to the protections offered to retail clients under the *Corporations Act 2001* (Cth). You will also forfeit the right to complain to the Australian Financial Complaints Authority.

If you believe you are eligible, please contact us at service@ifsmarkets.com and send through all relevant documents/forms supporting your eligibility, we are more than happy to help with any queries or concerns.

Happy Trading!

Kind regards,

IFS Markets

22 February 2021

Annexure A – Accountant Certificate

**ACCOUNTANT'S CERTIFICATE
(Chapter 7 of the Corporations Act)**

This certificate is issued under Chapter 7 of the Corporations Act (Cth) by:

	<i>[full name of accountant]</i>
of	<i>[name of firm]</i>
	<i>[business address]</i>

am a qualified accountant within the meaning of section 88B of the Corporations Act and ASIC Regulatory Guide 154.

I confirm that I am a member of (*please tick applicable option*):

<input type="checkbox"/>	CPA Australia who is entitled to use the post-nominals "CPA" or "FCPA";
<input type="checkbox"/>	Institute of Chartered Accountants in Australia who is entitled to use the post-nominals "CA", "ACA" or "FCA";
<input type="checkbox"/>	Institute of Public Accountants who is entitled to use the post-nominals "AIPA", "MIPA" or "FIPA";
<input type="checkbox"/>	Other foreign eligible professional body (please see ' Certificates issued by a qualified accountant ASIC - Australian Securities and Investments Commission ' for a complete list) for the purposes of the Corporations Act 2001 (<i>please specify professional body</i>) _____, and (i) I have at least 3 years practical experience as an accountant or auditor and; (ii) I am giving this certificate for the purposes of ss708(8)(c) and 761G(7)(c) to a person who is resident in the same country (other than Australia) as myself and I am subject to and comply with the relevant body's continuing professional education requirements.

I am giving this certificate at the request of and with reference to

Name:	<i>(the Investor)</i>
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Address:	
Occupation	

Having reviewed the financial position of the Investor, I certify that the Investor is a Sophisticated Investor as defined by section 761G(7)(c) of the Corporations Act 2001 (Cth) because the Investor has:

(Please tick applicable option)

<input type="checkbox"/>	net individual assets prior to certificate issue of at least \$2.5 million (excluding superannuation and the family home) as at _____ <i>(insert date)</i>
<input type="checkbox"/>	received a gross income of \$250,000.00 or more in each of the last two financial years ending on 30 June _____ and 30 June _____.

I am aware that **[INSERT AFSL NAME]** or any of its related entities may rely on this certificate for no more than 2 years after the date of this document, as is permitted by the Corporations Act.

Accountant Signature

Date

Accountant Name

Annexure B – Sophisticated Investor Acknowledgment



SOPHISTICATED INVESTOR ACKNOWLEDGEMENT

By signing this Sophisticated Investor Acknowledgement, I agree that I have requested that IFS Markets Pty Ltd ('IFS') consider my experience for the purpose of becoming a Sophisticated Investor as defined under s761GA of the *Corporations Act 2001*(Cth) ('the Act').

I certify that I genuinely believe I have the experience and knowledge required to understand the risks and product features associated with CFD and FX trading because:

- I have the experience and capacity to make investment decisions without the benefit of regulated disclosure documents issued to retail clients in accordance with the Act.
- I have satisfied myself that I understand the legal and financial implications of being a Sophisticated Investor.
- I understand that, in being classified as a Sophisticated Investor, certain protections applicable to retail clients will not apply to me.
- I will not be acquiring financial products with IFS in connection with a business.
- I understand that IFS may withdraw my status as a wholesale client at any time at its absolute discretion.

I acknowledge that as a Sophisticated Investor:

- IFS has not given me a Product Disclosure Statement.
- IFS will no longer provide me with a Product Disclosure Statement, Financial Services Guide or any other document that is required to be provided to a retail client. Where these documents have already been provided, I understand that those documents will no longer apply to me.
- IFS does not have any obligations to me under Chapter 7 of the Act as would be provided to me as a retail client unless otherwise specified in the Act.

I acknowledge that I have read and, should I be approved as a wholesale client, I agree to be bound by the Wholesale Client Information Statement and the IFS Terms and Conditions.

I understand and agree that any open positions I hold will be treated as wholesale effective from the date of my Sophisticated Investor classification.

If there are any inconsistencies between the Terms and Conditions and the Wholesale Client Information Statement, the Wholesale Client Information Statement will take precedence.

I declare that all information I have provided to IFS as part of my submission is complete, accurate and is not misleading in any way.

I agree to notify IFS as soon as possible if my circumstances change in a way which may reasonably impact my ability to meet the minimum standards set out by IFS for Sophisticated Investor classification.

SIGNATURE

Full name:

Date: