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Authorised Representative (No. 001273819)
of AFSL 286354,
ABN 72 623 051 641

SOPHISTICATED INVESTOR DECLARATION

Introduction

Zero Financial Pty Ltd (ZERO Markets, ABN 72 623 051 641) is an independent and privately-owned company providing financial products to Retail, Sophisticated, Wholesale and Institutional Clients as a corporate authorised representative of First Prudential Markets Pty Ltd (AFSL AFSL 286354) (**Licensee**). The Company specialises in offering CFDs over equities, futures and forex.

The *Corporations Act 2001* (Cth) ("**Corporations Act**" or "the **Act**") allows for the issue of financial products to a client without a Product Disclosure Statement ("**PDS**") where the client is a "wholesale client" within the meaning of section s 761G of the *Corporations Act*. One category of wholesale clients under the *Corporations Act* are "sophisticated investors", who are clients that meet the criteria set out in s 761GA of the Act.

In short, a sophisticated investor is someone who the Licensee is satisfied on reasonable grounds has previous experience in using financial services and investing in financial products that allows them to assess:

- the merits of the product or service;
- the value of the product or service;
- the risks associated with holding the product;
- their own information needs; and
- the adequacy of the information given by the licensee.

ZERO Markets on behalf of the Licensee applies a stringent test in order to determine whether you can make these assessments. At minimum, you will need to meet the following criteria:

- Have annual income of at least 100,000 AUD (current or last financial year) or net assets of at least \$500,000 AUD;
- Have completed and passed a short online quiz (75% to pass);
- Have traded Forex or CFDs at least 20 times per quarter for any 4 quarters in the preceding 5 years or traded Forex or CFDs with at least a notional value of AUD \$500,000 per quarter for any quarter in the past 5 years; or
- Work or have worked in the financial sector for at least one year in a professional position which requires knowledge of leveraged trading.

If you wish to be treated as a sophisticated investor you will be asked to provide some or all of following documentation to support this classification:

- Recent Payslip showing annual salary or most recent tax return summary
- Certificate from your accountant stating your assets of at least \$500,000 AUD
- Documents demonstrating your trading history from ZERO Markets trading account/s
- Statement/s for the previous 5 years demonstrating your trading experience, whether from ZERO Markets or another reputable broker;
- Employment contract from a financial services business.

If ZERO Markets on behalf of the Licensee determines that you are eligible for classification, you

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will be provided with a written statement containing the Licensee's reasons for being satisfied as to the criteria in s 761GA.

By signing this Sophisticated Investor Declaration form, I warrant that I have requested ZERO Markets on behalf of the Licensee to consider my previous experience for the purpose of classification as a sophisticated investor under s 761GA of the *Corporations Act*.

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

- I have the experience and capacity to make investment decisions without the benefit of regulated disclosure documents (e.g. Product Disclosure Statements, Financial Services Guides) typically issued to retail clients;
- I have satisfied myself that I understand the legal and financial implications of becoming a sophisticated investor;
- I understand that, being a sophisticated investor, I will lose certain protections available to retail clients;
- I will not be acquiring financial products from the Licensee in connection with a business; and
- I understand that the Licensee may revoke my status as a sophisticated investor, and treat me as a retail client, at any time.

I acknowledge that:

- The Licensee has not and will no longer provide me with a PDS, FSG or any other document that is provided to a retail client. If I already have these documents, I understand that they no longer apply to me; and
- The Licensee does not have any obligation to me under ch 7 of the *Corporations Act* that they typically would have if I were trading as a retail client. Unless otherwise specified in the Act.

I acknowledge that I have read and agree to be bound by:

- ZERO Markets Sophisticated Client Terms and Conditions;
- ZERO Markets Sophisticated Client Information Sheet; and
- ZERO Markets Sophisticated Client Key Policies.

I declare that all the information that I have provided or will provide to the Licensee and ZERO Markets as part of my submission is or will be complete, truthful, and accurate. I agree to notify ZERO Markets if my circumstances change in a way which may reasonably impact my ability to meet the minimum standards set out by ZERO Markets.

I acknowledge that classification as a sophisticated investor is not guaranteed and depends entirely on the Licensee's satisfaction with my application.

Full Name:

Signature:

Date: