

ECN TRADE PTY LTD

# ELIGIBILITY FOR ECN TRADE PRO ACCOUNT

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You should obtain your own independent financial advice as to whether Margin Contracts are appropriate for you.

As you may be aware, the ASIC product intervention order, which would affect retail OTC market leverage ratios and other trading conditions, will take effect from 29 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 classified as a wholesale investor is:

- 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 criteria, you must have a certificate by a qualified accountant to confirm that you satisfy either one of the criteria above. The accountant's certificate must be:

- no more than 6 months old at the time the offer of financial products is made; and
- 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.

#### 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:
  - i. a superannuation fund;
  - ii. an approved deposit fund;
  - iii. a pooled superannuation trust; or
  - iv. 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.

### 3. The Sophisticated Investor Test

You are considered a wholesale investor if:

- you have traded leveraged FX or CFDs for at least 20 times in the preceding 12 months with a notional value of \$500000 or more; or
- you have experience working in the financial sector for at least 2 year(s) in a professional position which requires knowledge of FX or CFDs; or
- you have a total deposit amount of \$20000 made in the last 24 months with a CFD broker.

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, you will be classified accordingly. Please note that this category is only available for new clients who have never received a PDS from us.

### 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 may not be entitled to the protections offered to retail clients under the Corporations Act 2001 (Cth). You may also forfeit the right to complain to the Australian Financial Complaints Authority.

If you believe you are eligible, please contact your account manager or email us at [info@ecntrade.com.au](mailto:info@ecntrade.com.au) and send through all relevant documents/forms supporting your eligibility, we are more than happy to help with any queries or concerns.