

## PRODUCT DISCLOSURE STATEMENT

This Product Disclosure Statement serves to inform the Clients on the various investment products offered by Brickhill Capital Limited (hereinafter "Brickhill Capital"), a company incorporated in New Zealand, with its principal place of business at, **New Horizon Building, Ground Floor, 3 ½ Miles Philip S.W. Goldson Highway, Belize City, Belize.**

### **1 PRODUCT RANGE**

#### **1.1 FOREIGN EXCHANGE ("Forex")**

Forex is an Over-the-Counter Market (OTC) product. The majority of Forex trades are settled as spot trades, as opposed to settlement at a set date in the future as with many exchange traded products. Forex provides traders with the ability to execute buy or sell trades around the clock, with few restrictions. This creates opportunities for Clients to profit from the variations in the value of one currency against another.

For the updated list of Forex Products and Forex Product Contract Specifications, please visit our website: <http://brickhillcap.com/forex.html> or you may find them on Brickhill Capital's trading platform.

#### **1.2 METALS**

Precious Metals are rare, highly tradable commodities, with a high economic value. These metals are often seen as safe haven investments during times of economic or political uncertainty and turmoil. As such they provide an alternative to investing in other more traditional financial instruments. Gold and silver are two of the most recognised of these commodities and both have a high investment value, due to their relative rarity and multiple sources of demand. Brickhill Capital offers OTC spot price metal trading, denominated in USD for these two metals and may include other precious metals in the future.

For the updated list of Metals Products and Metals Product Contract Specifications, please visit our website: <http://brickhillcap.com/metals.html> or you may find them on Brickhill Capital's trading platform.

#### **1.3 CONTRACT FOR DIFFERENCES (CFD)**

A CFD (Contract for Difference) is an agreement to exchange the difference between the opening and closing value of a contract at its close. Rather than buying or selling the underlying instrument on which your contract is based, you simply place a trade with a CFD provider. The price of your CFD will then replicate the price of the underlying asset (without actually owning the underlying product) giving you a profit (or a loss) as the price of the underlying moves, so that the amount of any profit or loss made on a CFD will be equal to the difference between the price of the underlying instrument when the CFD is opened and the price of the underlying instrument when the CFD is closed, multiplied by the number of underlying instruments to which the CFD relates. The types of CFDs include, but are not limited to Foreign Exchange CFDs, Futures CFDs, Option CFDs, Share CFDs and Stock Index CFDs. The potential losses associated with the price movements can exceed the total value of the initial margin (and any additional margin funds) the Client has deposited with the Company, and the Client may be obliged to close his positions at the worst possible time. When trading CFDs, the Client will be charged an interest rate which mirrors the financing rate of actually borrowing the funds to invest. This means that if the Client purchases a CFD, the Client will be required to pay financing costs (SWAP) for the period during which the Client holds the position. However the Client will not pay any financing costs if he opens and closes a CFD position on the same day. As a seller of CFDs, the Client will not receive any interest.

#### **1.4 RIGHT TO CHANGE PRODUCT OFFERINGS**

Brickhill Capital shall have the right, in its sole discretion, to change, vary or discontinue its trading service or products offered to the Client. For the full range of investment product available, please login to the Brickhill Capital's Trading platform using the assigned Client's password and account ID.

## **2 PRODUCT SPECIFICATIONS**

### **2.1 DEFINITION OF TERMS**

**"Account Balance"** is the "cash balance" on Client's account (Client's account balance does not include profits or losses on any open Positions);  
**"Authorised Person"** means an individual duly authorised on behalf of the Client to perform under the present Agreement;  
**"Ask"** (including **"Ask Price"**) means the price at which the Client can buy;  
**"Balance"** means the sum of all deposits, less withdrawals, plus or minus realised profit and loss and shall also include sums in any Trading Account;  
**"Base currency"** means the main currency of the Client's Account, USD or EUR, unless otherwise agreed in writing between the parties;  
**"Bid"** (including **"Bid Price"**) means the price at which the Client can sell;  
**"Business Day"** means a day (other than a Saturday or a Sunday) when banks are open for business in the recognised principal financial centre(s) of the relevant currency(ies) and which is also not an official bank holiday in New Zealand;  
**"Buy"** (including **"Go Long"**, **"Long"**, **"Long Position"**) means making a buy Transaction or buying at the Company's quote price;  
**"Client"** (including **"you"**, **"your"** and **"Customer"**) means any natural or legal person to whom the Company services to;

**"Client Account (Account)"** means any and all accounts opened by the Company for the Client under this agreement;

**"Client Money"** means any money that the Company receives from the Client or hold for or on Client's behalf subject to Client money safeguard provisions in accordance with applicable regulation in the course of, or in the connection with, the services provided by the Company;

**"Company's Website"** means [www.brickhillcap.com](http://www.brickhillcap.com) or any other website that may be the Company's website from time to time;

**"Contract Specifications"** means each lot size or each type of the Financial Instrument offered by the Company and all necessary trading information regarding fees, commissions, spreads, swaps, margin requirements, etc., that are made available by the Company on the Electronic Trading Platform and/or website;

**"Electronic Trading System"** means any electronic system (including **"Trading Platform"**, **"Brickhill eX"**, MetaTrader platforms, web-based platforms, mobile platforms, etc) operated by the Company, through which the Company provides Financial Services to the Client;

**"Equity"** means the Balance, plus or minus unrealised profit and loss that derives from any open positions;

**"Financial Instruments"** and/or **"instruments"** means the Financial Instrument described in paragraph 1 of this Agreement;

**"Free Margin"** means the amount of funds in the Client's Account that can be used for trading and it is calculated as the difference between Equity and Margin (Free Margin = Equity – Margin);

**"Initial Margin"** means the margin required by the Company to open a position of a financial instrument as determined in the Contracts specifications in the Company's Website;

**"Leverage"** means the ratio in respect of Transaction size and Initial Margin. For example, 1:100 ratio means that in order to open a position the Initial Margin is one hundred times less than Transaction Size;

**"Lot"** means a unit measuring the transaction amount, as posted on the Company's Website;

**"Margin Level"** means the percentage Equity to Margin ratio. It is calculated as (Equity / Margin) \* 100% and it determines the conditions of the Client's Account;

**"Margin requirement"** means the amount of cash or assets required to maintain Client's existing open positions;

**"Open Position"** means any position that has not been closed;

**"Order"** means the request for the transaction execution;

**"Pending Order"** means Buy Limit, Buy Stop, Sell Limit, and Sell Stop order;

**"Positions"** means open transactions;

**"Power of Attorney"** means the power to authorise a third party to act on behalf of the Client in all the business relationships with the Company;

**"Spread"** means difference between the purchase price (ask rate) and the sale price (bid rate) of the Financial Instruments at the same moment;

**"Stop Loss"** means an instruction that is attached to a pending order for minimizing loss;

**"Swap"** means the credit or debit applied to Client's account when the Client hold a Position in certain contracts overnight and including non-business days; (rolling over (transfer) of an open position to the next day);

**"Take Profit"** means an instruction that is attached to a pending order for securing profit;

**"Trading Account(s)"** means the special personal account(s) which has a unique number for internal calculation and customer deposits, opened by the Company in the name of the Client, and the terms **"client account"** or **"account"** may be used interchangeably in this Agreement and during the provision of the Investment Services;

**"Transaction"** means any type of transaction performed in the Client's account including but not limited to purchase and sale transactions involving Financial Instruments, deposits, withdrawal open or closed trades;

**"Value Date"** means the delivery date of funds;

**"We"**, **"Us"**, **"Our"** mean sBrickhill Capital (NZ) Limited (hereinafter the **"Company"**).

### **2.2 CONTRACT SPECIFICATIONS FOR FOREX**

2.2.1 The forex market remains open for 24 hours a day, 5 days a week. Trading will be continuous between the standard trading hours for all currency pairs, starting from Sunday, 2205hrs to Friday, 2155hrs (GMT). There is, however, a daily settlement stoppage period of 2200hrs to 2205hrs (GMT) whereby is no pricing, and trading is not allowed.

2.2.2 A standard lot for forex represents 100,000 units of the base currency. The minimum required lot is one micro lot, which is 0.01 of a standard lot or 1,000 units of the base currency.

2.2.3 Currency pairs are quoted to the 5th decimal place with the exception of Japanese Yen pairs, which are quoted to the 3rd decimal place.

2.2.4 Brickhill Capital's spread for all currency pairs are floating and are derived from our liquidity providers. The spread for each currency pairs can be found on Brickhill Capital's trading platform.

2.2.5 The initial margin for all forex transactions is 1% (unless specified to be different on our websites, email notifications or any other forms of communications) of the transaction size for clients with 1:100 leverage. The initial margin is calculated in the base currency using this formula:  
 Initial Margin= (Lot Size \* Contract Size \* Opening Price) / Leverage

2.2.6 Brickhill Capital reserves the right to change the margin requirement without notification during drastic market conditions or in event of force majeure.

2.2.7 Swaps are charged for all currency pair positions that are held overnight due to the difference in the prevailing market interest rates between the base currency and the quote currency. Swaps are automatically calculated and settled at 2359hrs (GMT) on a daily basis. Any open positions held from Wednesday to Thursday on a trade date basis will be charged three times the value. The extra payment is to cover the interest that would normally have been charged on Saturday and Sunday when the market is closed. The long and short swap for each currency pairs can be found on Brickhill Capital's trading platform.

### 2.3 CONTRACT SPECIFICATIONS FOR METALS

2.3.1 The Metals market starts trading from Sunday, 2300hrs to Friday, 2200hrs (GMT). You will not be able to place any trades, stops or limits when the market is closed daily at 2200hrs to 2205hrs (GMT).

2.3.2 A standard lot for Gold represents 100 ounces of gold, while a standard lot of Silver represents 5000 ounces silver. The minimum required lot is one micro lot, which is 0.01 of a standard lot of the metal.

2.3.3 Gold spot pricings are quoted to the 2nd decimal place, while Silver spot pricings are quoted to the 3rd decimal place.

2.3.4 Brickhill Capital offers both floating and fixed spread for all spot metals, and they are derived from our liquidity providers. The spread for the metals can be found on Brickhill Capital's trading platform.

2.3.5 The initial margin for all metals transactions is 1% (unless specified to be different on our websites, email notifications or any other forms of communications) of the transaction size for clients with 1:100 leverage. The initial margin is calculated in USD using this formula:

Initial Margin = (Lot Size \* Contract Size \* Opening Price) / Leverage

2.3.6 Brickhill Capital reserves the right to change the margin requirement without notification during drastic market conditions or when deemed necessary.

2.3.7 Swaps are charged for all currency pair positions that are held overnight due to the difference in prevailing market interest rates between the base metal and the quote currency (USD). Swaps are automatically calculated and settled at 2359hrs (GMT+1) on a daily basis. Any open positions held from Wednesday to Thursday on a trade date basis will be charged three times the value. The extra payment is to cover the interest that would normally have been charged on Saturday and Sunday when the market is closed. The long and short swap for the different metals can be found on Brickhill Capital's trading platform.

### 2.4 PRODUCT FINANCING FEES

2.4.1 Clients are required to deposit a Margin with Brickhill Capital in order to open a position. The margin requirement will depend on the underlying product, the level of leverage given and the value of the position to be established.

2.4.2 Clients have the responsibility to ensure that there are sufficient margin on their trading accounts, at all times, in order to maintain an open position. Clients shall be aware that there may be additional fees such as commission (may be charged on per deal or per lot basis) and swaps that may reduce the balance in their accounts.

2.4.3 Commission may be charged by the Introducing Brokers (IB) of the Company on the Clients that they refer to Brickhill Capital. The commission may be charged on a per deal/ transaction basis or on a per lot basis. The Company is not responsible for notifying such charges to the Clients. However, for commissions charged by the Company, the rate shall be specified in the contract specifications of the product. The commission rate may be found on Brickhill Capital's trading platform.

2.4.3 The margin call for Brickhill Capital is set at 120% and the Stopout Level is set at 80%. The Company shall not notify the client for any margin call to sustain a loss making position. The Company has the discretionary right to start closing positions when the margin level decreases to about 120%, and automatically close all positions at market prices when the margin level drops to 80%. Any losses or additional fees resulting from the stopout shall be borne by the Client.

### 2.5 ORDER EXECUTION POLICY

2.5.1 Execution of Placing an Order

2.5.1.1 Authorised Representative. The Client may notify the Company of those persons permitted to instruct the Company to take action on the client's behalf pursuant to a power of attorney (an "Authorised Representative") by delivering to the Company a signed authorisation form granting authority to the Client's Authorised Representative shall take effect upon the later of two (2) business days following receipt by the Company of such notice, or the date specified therein. Without prejudice to the Company's right to rely and act on communications from the client's Authorised Representative, the Company will not be under any duty to open or close any Transaction or accept and act in accordance with any communication if the client reasonably believe that such agent may be acting in excess of its authority. In the event that the Company have opened a Transaction before coming to such a belief the Company may, at their absolute discretion, either close such a Transaction at their then prevailing price or treat the Transaction as having been void from the outset. Nothing in this clause will be construed as placing the Company under a duty to enquire about the authority of an agent or Authorised Representative who purports to represent the Client.

2.5.1.2 Infringement of law. The Company will not be under any duty to open or close any Transaction if the Company reasonably believe that to do so may not be practicable or would infringe any Applicable Regulation, law, rule or Term. In the event that the Company opened a Transaction before coming to such a belief the Company may, at their absolute discretion, either close such a Transaction at the then prevailing bid price (for Sell Transactions) or offer price (for Buy Transactions) or treat the transaction as having been void from the outset,

2.5.1.3 Situations not covered by agreements with the Company. In the event that a situation arises that is not covered under the Terms or the Contract Details, the Company will resolve the matter on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice and/or paying due regard to the treatment the Company receive from any hedging broker with which the Company have hedge the Company's exposure to the client arising from the Transaction in question.

2.5.1.4 The Company may, at their own absolute discretion, accept an "Order" from the Client. An Order is an offer to open or close a Transaction if the Company's price moves to, or beyond, a level specified by the Client. Examples of such Orders are:

i. A Stop Order, which is an instruction to deal if the Company's quote becomes less favourable to the Client and which is generally used to provide some risk protection;

ii. A Limit Order, which is an instruction to deal if the Company quote becomes more favourable to the Client;

2.5.1.5 The Client may specify that an Order is to apply:

i. Until the next close of business for the relevant Underlying Market (a "Day Order"), which, for the avoidance of doubt, will include any overnight trading sessions on the Underlying Market.

ii. Until a date and time specified by the Client (but such an Order may only be an Unattached Order and may only be placed in respect of a daily or quarterly Transaction); or

iii. For an indefinite period (a "Good Till Cancelled Order" or "GTC Order"), which, for the avoidance of doubt, all unspecified orders will be treated as good until cancelled orders as that term is generally understood by the market.

2.5.1.6 For all orders with the Company, the Client expressly acknowledge and agree that:

i. It is the Client's responsibility to understand how an Order operates before the Client place any such Order with the Company and that the client will not place an Order unless the Client fully understand the terms and conditions attached to such Order.

ii. Whether or not the Company accepts an Order, the Client are trading with the Company as principal and not dealing on the Underlying Market.

iii. The triggering of the Client's Order is linked to the Company's bid and offer prices, not the bid and offer prices on the Underlying Market. The Company's bid and offer prices may differ from the bid and offer prices in the Underlying Market. The effect of such is that the Client's Order may be triggered even though: the Company's bid, or offer as the case may be, moved to or through the level of the Client's Order for only a short period; and the Underlying Market never traded at the level of the Client's Order.

iv. For the purposes of determining whether an Order has been triggered, the Company will be entitled (but not obliged), at the Company's discretion, to disregard any prices quoted by the Company during an pre-market, post-market or intra-day auction periods in the relevant Underlying Market, during any intraday or other period of suspension in the relevant Underlying Market, or during any other period that in the Company's reasonable opinion may give rise to short-term price spikes or other distortions.

v. Following the Client's Order being triggered, the Company do not guarantee that a Transaction will be opened/closed, nor do the Company guarantee that if opened or closed, it will be done so at the Client's specified stop level or limit.

vi. The Company reserves the right both to work and to aggregate Orders. Working an Order may mean that the Order is executed in tranches at different prices, resulting in an aggregate opening or closing level for the Client's Transaction that may differ both from the Client's specified level and from the price that would have been attained if the Order had been executed in a single tranche. Aggregating an Order means that the Company combines the Client's Order with the Orders of other clients of the Company's for execution as a single Order. The Company may do this only if the Company reasonably believes it is unlikely to work overall to the disadvantage of any Client whose order is to be aggregated. However, the effect of aggregation may work to the client's disadvantage in relation to any particular Order. The Client acknowledges and agrees that the Company shall not, under any such circumstances, have any liability to the Company as a result of any such working or aggregation of the Client's Orders.

2.5.2 Closing of Out of Position

2.5.2.1 The Client can open and close a position via the Company's Trading Platform and add or modify orders by placing "Buy Limit", "Buy Stop", "Sell Limit", "Stop Loss", and/or "Take Profit" on any Financial Instrument offered by the Company.

2.5.2.2 Once given, instructions may only be withdrawn or amended with Company's consent. The Company can only cancel Client's instructions if the Company has not already acted upon them. If, after instructions are received, the Company reasonably believes that it is not practicable to act on them within a reasonable time, or the Company reasonably believes that it is in Client's best interest not to act on such instructions, the Company may defer acting upon those instructions until it is in Company's reasonable opinion, practicable (or in Client's best interest) to do so, or notify the Client that the Company declines to act upon such instructions.

2.5.2.3 The Company has the right, at its own discretion, to start closing Client's positions automatically at market price when the margin level of Client's account is equal or less than 80%. The Client acknowledges that the Company has the right to change the Client's stopout margin level to match the one provided by the Liquidity Provider(s). Such an event will be disclosed to the Client by the Company via its internal mail or by email.

2.5.2.4 At any time, with or without notice to the Client, and in addition to any other rights, the Company may choose to close out or limit the size of a Client's open position(s) (net or gross) if any of the following circumstances occur:

- i. The Company reasonably considers there is abnormal market or trading conditions;
- ii. The Company considers that a Client may be in breach of a relevant regulation or laws or by privy to "inside information";
- iii. The Client has failed to provide any margin, or such margin amounts fall below the margin requirements set out;
- iv. Where a Product is withdrawn from the Company's Product List;

2.5.3 Right to Refuse to Execute Orders

2.5.3.1 The Company reserves the right to, at any time, limit or refuse to execute an order for the Client but warrants that it will notify the Client of any refusal or limitation as soon as practicable. Such refusal or limitation shall be without prejudice to any other rights and powers of the Company;

i. The Company is not required to act in accordance with the Client's instructions where to do so would cause a breach of any applicable Regulation.

ii. Whenever the Company is of the opinion that the order violates the smooth operation or the reliability of the Company's Trading Platform

2.5.3.2 The Client accepts that any refusal by the Company to execute any of his/her Order shall be without prejudice and shall not affect any obligation the Client may have towards the Company or any right the Company may have against the Client or his/her assets. The Client accepts and acknowledges that the Company is not responsible in case a Client's order is delayed or not even executed at the price requested (i.e. prevailing market price) since the quotes are derived from the Liquidity Providers using a bridge technology and the market prices usually move fast during volatile periods.

2.5.4 Suspension and Insolvency

2.5.4.1 If at any time trading on the Underlying Market is suspended in any Instrument that forms the subject of a transaction, then the transaction will also be suspended from operation unless the Company is able to make prices for the Transaction based on prices in a different but related Underlying Market that is not suspended from trading. If suspended, the suspension price of the Transaction unless re-valued by the Company, for the purposes of Margining and otherwise, will be the mid-price quoted by the Company at the time of suspension.

2.5.4.2 Irrespective of whether it is an expiry transaction and the date of contract expiry passes and irrespective of any orders given by the Client, the transaction will remain open but suspended until the suspension in the Underlying Market is terminated and trading recommences, at which point the suspension of the client's transaction will also cease and the client's transaction will become tradable again. Following the lifting of suspension, any orders that the client may have given the Company with respect to the transaction that have been triggered will be executed as soon as is reasonable in the circumstances having regard to liquidity in the Underlying Market. The Company cannot guarantee that orders will be executed at the first available Underlying Market price.

2.5.4.3 The Client agrees that while their transactions are suspended, the Company will still be entitled to make interest adjustments.

2.5.4.4 If a company, whose Instrument represents all or part of the subject-matter of a transaction, goes into insolvency or is otherwise dissolved will be the

closing date of that transaction and the Company will close the transaction at a trade value determined by the Company in good faith.

2.5.4.5 The Company reserve the right at all times when the Client's Transactions are suspended to revalue such transaction at such price and/or to change the Margin rate. In both cases, as the Company shall determine to be reasonable in the circumstances and to require payment of deposit or Margin accordingly.

### **3 RISK WARNINGS**

#### **3.1 GENERAL TRADING RISK**

3.1.1 Entering into Transactions with the Company carries a high level of risk and can result in losses that exceed the client's initial deposit and is not suitable for everyone. The Client should fully understand the risks before opening an Account and entering into any transactions with the Company.

3.1.2 The Client declares and warrants that he/she has read, understood and accept the following:

i. The high degree of "gearing" or leverage is particular a feature of this type of transaction. This stems from the margining system applicable to trades which generally involve a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the underlying market can have a disproportionately dramatic effect on the trade. If the underlying market movement is in your favour, the Client may achieve a good profit, but an equally small adverse market movement can only quickly result in the loss of the entire deposit, and may also be exposed to a large additional loss beyond the deposit.

ii. All underlying markets of the products may involve different risks. In some cases, risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign currency denominated markets will be affected by fluctuations in foreign exchange rates.

iii. The Client may be called upon to deposit substantial additional margin, at short notice, to maintain their trade. If the Client does not provide such additional fund within the time required, their trade may be closed at a loss and the Client will be liable for any resulting deficit.

iv. CFD transactions may not be undertaken on a recognized or designated investment exchange. During normal market hours and outside normal market hours, the Company may execute CFD orders and trades at their price, acting as a "market maker" in there CFDs in and out of market hour. Closing trades will be traded at the price dictated by the spread quoted at the time of closing, irrespective of the spread at the time of the opening trade, which may be larger or smaller. No guarantee is given as to the spread at the time of closing. All CFD trades opened with us must be closed with us and cannot be closed with any other entity.

v. Prior to placing trades, the Client should ensure that he/she understand all charges for which he/she will be liable.

vi. Under certain trading conditions, it may be difficult or impossible to liquidate a position. This may occur, for example at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading is restricted or suspended.