

"Everything that can be invented has been invented."
-Charles H. Duell, Commissioner, US Office of Patents, 1899





WELCOME TO THE NEW WORLD

<GLOBAL TRADER>

At Global Trader, we believe old-world thinking is history. We believe there's always a better way. And it's our mission to find it for our clients. Like Contracts For Difference. An innovation that opens up a whole new world of online trading opportunities and accessibility.

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WELCOME TO THE WORLD OF GLOBAL TRADER

1.1 OUR COMPANY

Global Trader is a pioneering international financial institution offering a Spread Trading and a Contract For Difference (CFD) execution service to both institutional and private clients investing in international and domestic financial markets.

Global Trader was founded in South Africa in 2000. Since then we have grown our global reach into Europe, North America and Asia with a physical presence on the ground in the UK, Canada and Thailand.

Global Trader is South Africa's leading online financial services company and is the most active online broker, conducting over 300,000 trades per year, worth over US\$5 billion per annum, for clients in 26 countries.

We are regulated by the Financial Services Authority (FSA) in the UK, the birthplace of both CFD and Spread Trading, with a category A listing. We are also a Derivative Member of the Johannesburg Stock Exchange (JSE) and a founder member of the Alternative Investment Management Association (AIMA, South African Chapter).

1.2 OUR MANAGEMENT

Global Trader was founded, and is now run by, a group of market professionals who shared a common goal to redefine trading. Applying their extensive financial backgrounds with leading global investment banks and software houses, our management team have built Global Trader into the leading international trading house that we are today.

CONTRACTS FOR DIFFERENCE - CFD'S

2.1 CFD's - DEFINITION

Contracts For Difference (CFD's) are an agreement between two parties to exchange the difference between the closing price of the contract and the opening price of the contract.

- A long (purchased) position in a CFD receives all the returns of an equivalent long position in the underlying equity, making a profit if the share price rises but a loss if the share price falls, and pays a daily financing charge.
- A short (sold) position in a CFD receives a daily financing charge and pays away any returns should the share price rise, but will profit if the share price goes down. This is the equivalent to taking a short position in the underlying equity.

A dividend adjustment is credited to long positions and debited from short positions held at the close of business on the day before the ex-dividend date. Payment is credited to your account on the ex-dividend date.

CFD positions will be adjusted in the event of a corporate action

(e.g. a rights issue). The adjustment will be to replicate the corporate action on the underlying equity. If this is not possible then Global Trader may, at its discretion, make an equivalent cash adjustment. This will apply to positions held at the close of business on the preceding day to the ex-corporate action date.

Global Trader's CFD's are "financed" equity trades that give our clients low cost, low margin two way exposure to equity markets. We offer our clients the ability to trade both via our real time, online trading platform and over the telephone.

CFD's take away a lot of the disadvantages of stock ownership, such as script custody and tracking dividend payments, thereby making them a very simple and flexible financial instrument. CFD's have no fixed expiration date and trade at the cash price of the underlying instrument. Furthermore, being an Over The Counter (OTC) product, no voting rights are applicable to them.

For working examples of CFD trades, see 2.4.



2.2 CFD's - HISTORY

CFD's have been developed in the UK over the last 30 years as an alternative financial product and now account, directly or indirectly, for up to 50% of the total daily turnover on the London Stock Exchange.

CFD Trading had historically been exclusively traded within the institutional investment market. However they have recently developed into a professional retail product.

2.3 CFD's - ADVANTAGES OVER CONVENTIONAL TRADING

SHORT SELLING

CFD's give investors the ability to go both short (sell) or long (buy) stocks thereby enabling investors to profit from rising or falling markets. Furthermore, borrowing fees are negotiated at preferential institutional rates and are priced into the interest rate.

GEARING

CFD's are a geared (leveraged) product enabling clients to match the market exposure of a conventional underlying share purchase with as little as 10% of the capital.

LOW COSTS


CFD's are a low cost, highly efficient alternative to traditional stock trading. Aside from the lower commissions, there are no UST, VAT, Strate or other charges associated with trading on an exchange.

ONLINE TRADING PLATFORM

At Global Trader, we offer a fully automated, real time trading platform on which clients can view the underlying market prices and trade.

TAILORED SERVICES

To facilitate our institutional clients, we can tailor our CFD product. We also provide full Middle Office and Back Office (MOBO) functionality free of charge. Additional risk management and technology services geared at enabling start up funds are also available.



"Stocks have reached what looks like a permanently high plateau."
--Irving Fisher, Professor of Economics, Yale University, 1929



Forget all you assumed about trading. Global Trader enables investors to go short (sell stocks) or long (buy stocks), so they can profit from both rising and falling markets. Borrowing fees are negotiated at preferential institutional rates, and are priced into the interest rate.

2.4 SOUTH AFRICAN EQUITY CFD EXAMPLE

LONG POSITION

Anglo American is trading at a level you think is very low due to the ZAR/USD. You think this will present a nice short term trading opportunity, so you decide to buy 5000 shares at R140.00. You pay no UST, VAT OR STRATE, saving yourself R235.

Price of Anglo American shares	R140.00
Number of shares	5000
Value of shares	R700,000
UST; VAT; ITL; Strate	R0.00
Commission	R2,450
Total transaction value	R702,450
Margin requirement (10%)	R70,000

You need to have R70,000 available in your account to execute this trade.

DAILY FINANCING

On an overnight basis you need to pay financing for this position based on SAFEY (for SA shares) and the daily closing value of the shares. Your financing rate will be SAFEY + 2% (assume SAFEY to be 7.5%) and the closing value of the shares. The closing price for the day is R142.00. You will pay, $5000 \text{ (shares)} \times R142.00 \text{ (share price)} \times 9.5\%/365 = R184.79$ for holding the position overnight. This will be debited from your trust account by the next trading day.

CLOSING THE POSITION

A day later Anglo American is quoted at R148.00/R148.20 and you decide to sell a CFD on 5000 shares at R148.00.

Price of Anglo American shares	R148.00
Number of shares	5000
Value of shares	R740,000
VAT; ITL; Strate	R0.00
Commission	R2,590
Total transaction value	R737,410
Profit on trade	R34,960
Funding costs	R184.79
Overall profit	R34,775.21

This represents a return of 49.7% on the initial margin outlay of R70,000.

SHORT POSITION

You believe that Old Mutual is overvalued, so you decide to sell (short) a CFD on 20,000 shares. The Old Mutual share price is quoted at R15.00/R15.05 and you sell a CFD on 20,000 Old Mutual shares at R15.00.

Price of Old Mutual	R15.00
Number of shares	20,000
Value of shares	R300,000
VAT; ITL; Strate	R0.00
Commission *	R1050
Total transaction value	R298,950
Margin required	R30,000

You need to have R30,000 available in your account to execute this trade.

DAILY FINANCING

On an overnight basis you will receive financing for this position based on SAFEY (for S.A shares) and the daily closing value of the shares. Your financing rate will be SAFEY -2.25% * (assume SAFEY to be 7.5%). In this example you will receive $20,000 \times R15.00 \times 5.2\%/365 = R43.15$ per day. This will be credited to your trust account by the next trading day. Thereafter, this calculation will be made for each day that you hold the CFD position and the resulting financing revenue credited to your account daily.

CLOSING THE POSITION

A day later Old Mutual is quoted at R14.25/R14.30, so you decide to buy (go long) back the CFD on 20,000 shares at R14.30.

Price of Old Mutual	R14.30
Number of shares	20,000
Value of shares	R286,000
UST; VAT; Strate	R0.00
Commission	R1001
Total transaction value	R287,001
Profit on trade	R11,949
Financing income	R43.15
Total profit	R11,992.15

This represents a return of 46.6 % on the initial margin outlay of R30,000.

* Commission and funding rates are negotiable on volumes. Please contact a sales representative to find out more.

2.5 CFD'S – CFD TRADING STRATEGY EXAMPLES

- **EQUITY CONVERSION – FREE UP CAPITAL**
 - If you hold a position in a share, it may be possible to sell the shares and take out the equivalent long CFD position. This will result in exactly the same exposure to the shares' movements, but you will have freed up a large percentage of the capital invested.
- **PAIRS TRADING**
 - If you feel a stock is overvalued compared to another stock (i.e. Nedcor versus Standard Bank) you can use CFD's to go long the cheaper stock whilst going short the more expensive stock.
- **EFFICIENT TRADING**
 - **TAX EFFICIENCY**- Both professionals and fund managers who want effective hedging tools on stock portfolio's in times of market uncertainty. If you have a holding of physical shares you can sell CFD's against this without crystallising a potential capital gain, enabling you to control the time when you crystallise the capital gain/loss.
 - **COST EFFICIENCY** - If you are holding long term stocks, you may feel the need to protect your positions in times of market volatility. Shorting the CFD on the stock is an efficient short-term solution until market volatility avails.
- **SHORT TERM TRADING**
 - For proactive investors with strong views on the market who want to maximise their potential short term returns through gearing.

2.6 CFD's – DIFFERENCES TO OUR SPREADS PRODUCT

- **NO EXPIRY**
 - Spread contracts are a dated contracts (e.g. Billiton Sep05 contract) meaning they will expire at some point in the future whereas CFD contracts are not dated and therefore do not expire.
- **FUTURES VERSUS CASH AS THE UNDERLYING**
 - A spread is a tailored, geared futures contract and is priced off the future

contract, whereas a CFD is a tailored, geared cash equity contract and is therefore priced off the cash price of the underlying.

- **AN EQUITY BASED PRODUCT**
 - Spread contracts are written on almost all tradable liquid futures contracts across all asset classes whereas CFD's are mostly written on liquid stocks and spot/cash stock indices.
- **FUNDING**
 - The cost of funding on a spread is priced into the future price, whereas the cost of funding for a CFD is charged or earned daily.

2.7 CFD's - TRADING PRODUCTS

Through Global Trader, clients can trade CFD's in 5 base currencies (ZAR / EUR / GBP / CAD / USD) on thousands of international stocks including:

- South Africa - ALSI 40 constituents and more*
- United Kingdom - FTSE 350 constituents
- Ireland - Major liquid constituents
- Canada - TSX 60 constituents
- Europe - Euro Stoxx 50 constituents
- US - DOW 30; NASDAQ 100; S&P 500 constituents

This product range is being continually expanded, and if you want to trade a stock outside of the constituents of this list, please contact one of our traders on +27 (11) 214 8007 or email info@gt247.com and we will be delighted to look at the possibilities of offering you a CFD on your chosen stock.

* South African resident clients may only trade non-South African stocks using offshore funds.

“To place a man in a rocket and project him to the moon, land alive, and then return to earth - all that constitutes a wild dream worthy of Jules Verne. Such a man-made voyage will *never* occur.”

- Lee DeForest, American radio pioneer and inventor of the vacuum tube, 1957.



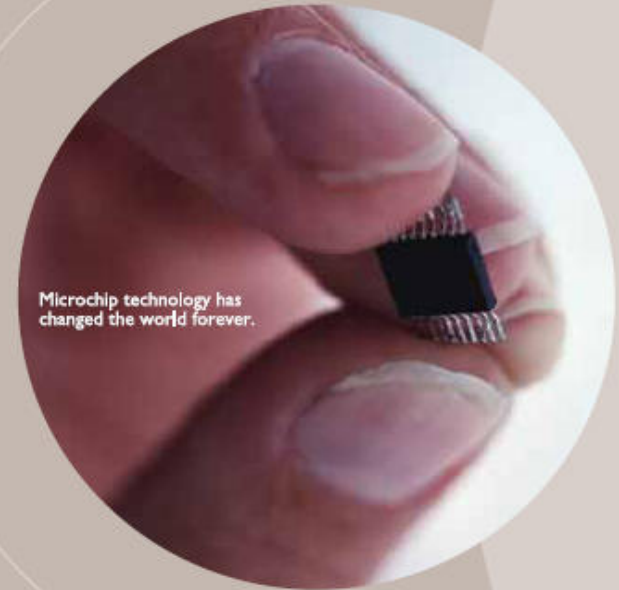
US Space Shuttle blasting off from Cape Canaveral, 2005.

Go where you never dreamed you could.

Global Trader provides geared (leveraged) products to enable investors to match the market exposure of a conventional underlying share purchase with as little as 10% of the capital.

“What the hell is it good for?”

-Robert Lloyd, engineer at the Advanced Computing Systems Division of IBM, commenting on the microprocessor, 1968



Microchip technology has
changed the world forever.

Truly ahead of their time - Innovative Products.
Global Trader creates low cost, highly efficient products that offer our clients an alternative to traditional trading. Aside from the lower commissions, many of the conventional charges such as UST, VAT, Strate and other charges associated with trading on an exchange are not applicable.

GETTING STARTED

3.1 REGISTER FOR A CFD ACCOUNT

In order to open a CFD Trading Account with Global Trader, please take the following steps:

- Read our CFD Trading Terms & Conditions.
- Complete the relevant Client Application Form on the back of this brochure (should you require a Corporate Account, then please feel free to contact our Head of Sales or our Head of Sales Trading on +27 (11) 214 8007).
- Forward the completed Application Form together with a photocopy of your Identity Document and proof of your home address (photocopy of Bank Statement or Utility Bill) to:

By fax: +27 (11) 214 8028.

By mail: Global Trader, Postnet Suite 247, Private Bag XI, Melrose Arch 2076, Johannesburg, South Africa.

Upon receipt of your documentation, we will open your account (within 48 hours) and you will be sent your Trust Account details at Standard Bank. Please use these as a reference for all deposits made into your Trading Account. You do not need to send any money to open an account. However, until cleared funds are received into your Trust Account, you will not be able to commence trading.

Please be advised the minimum deposit to open a CFD Trading Account is:

ZAR 20,000/ GBP 2,000/ EUR 2,000/ CAD 2,000/ USD 2,000.

3.2 REGISTER FOR SIMULATED TRADING

Global Trader also offers a free simulated (paper trading) CFD Trading Account that gives the investor a good taste of a real time environment without risking any money. It's the perfect way to test your strategies, educate yourself on the product and test the online platform.

To open a simulated account, visit our website and register for a demo account within the CFD's area.

Our trading platform and the required Java downloads can either be downloaded from our website, or can be found on our CD.

3.3 REGISTER FOR A CFD TRADING SEMINAR

CFD Trading Seminars are held on a group or one-to-one basis, and should you wish to schedule an appointment to learn more about these products, please contact our Head of Sales Trading in Johannesburg on +27 (11) 214 8007.

4.1 WHITE LABEL

Global Trader offers a full white labeling service that provides banks, brokerages and financial providers with a full online infrastructure, to help them move rapidly into Spread and CFD product trading.

Many institutions have recognised the major advantages of being able to provide such products under their own banner, if they are to maximise revenues and keep high client retention. For such institutions, the ability to enter the online derivative financial markets has become a priority and we are able to provide it on a turnkey basis.

With the Global Trader online platform, white labeled to reflect their marketplace identity and brand, these banks and brokerages gain rapid access to the dynamic world of CFD Trading and/or Spread Trading.

For further information please contact our Managing Director - South Africa on +27 (11) 214 8004.

4.2 INTRODUCING BROKERS

If you are trading on behalf of your own clients, we offer a business model that allows you to introduce your clients to us and retain direct control of your client relationship. Under this structure, your client will open a trading account with us directly and grant you "Power of Attourney" to trade on their behalf. The real time Back Office is available 24 hours a day via the platform, so you can view all of your sub accounts in real time, resulting profit and loss, exposure, margin requirements and net free equity balances. You may also place block orders and then split them into your client sub accounts. This is an ideal structure for managed accounts, and smaller money managers who do not have a full back office system in place. As an Introducing Broker and because you have an ongoing role in managing your client's money, you again receive a rebate on the volume of business but at a higher level than as an Introducing Agent.

In order to proceed with an Introducing Agent relationship, if in South Africa, please contact our Head of Sales on +27 (11) 214 8007 to discuss your business levels and we will be delighted to structure this partnership with you.

4.3 TRADING TOOLS

To further enhance the trading experience for our clients, we provide a number of complimentary value-added services.

online trading platform

intraday graphs & charts

equities
currencies
commodities
indices

live market prices

sms & email services

price alerts
live prices
trade confirmations

news services

Reuters news
GT market commentary (daily)
economic calendar
trader talk (weekly)

live help

online chat

research assistant

SA equity markets

"Any colour - so long as it's black."

- Henry Ford on his Model T (1906).



With literally thousands of colour, design and accessory options, MINI is the world's most customisable car.

Customisation. We can tailor-make our CFD product to meet your needs.

"No possible combination of substances, machinery and force, can be united in a practical machine by which man shall fly long distances through the air."

- Simon Newcomb (1835 - 1909), astronomer, head of the U.S. Naval Observatory.



The 555 seat, double deck Airbus A380 is the most ambitious civil aircraft program yet. When it enters service in March 2006, the A380 will be the world's largest airliner, easily eclipsing Boeing's 747.

International Exposure.

Global Trader offers trade on both local and international equities, indices, currencies, commodities and interest rates.

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CONTACT DETAILS >

"There is no reason for any individual to have a computer in their home."

- Kenneth Olsen, president and founder of Digital Equipment Corp., 1977



A high-speed HSDPA (High Speed Downlink Packet Access) network, available in 2006, will have a download speed of 1.8Mbps.

The future never sleeps - Online trading platform 24/7.

Global Trader offers a fully automated, real time trading platform on which clients can both view the underlying market prices and trade.