PULSE CAPITAL INVESTMENTS

Corporate Philosophy

Pulse Capital investments has been helping its clients do business for many years. To describe our firm and our people we can find no better phrase than: “the idea of doing only first-class business at all times, and in a first-class way”.

Pulse Capital investments’s mission is to be among the best financial and dealing services companies in the world. To achieve this goal, we focus relentlessly on carrying out our business principles, which are fundamental to everything we do. These are to:

Aspire to be the best

·Develop a world-class franchise in every business we operate
·Be client-driven, consistently delivering the best products and services in a cost-effective way
·Innovate, test and learn ·Create powerful brands that carry a commitment of quality and integrity

Execute superbly

·Demand and maintain strong financial discipline, building for good and bad times
·Create and maintain a fortress balance sheet
·Design and maintain the best systems and operations
·Maintain a strong system of internal governance and controls
·Measure performance through a complete and balanced scorecard Build a great team and a winning culture
·Operate with the highest standards of integrity
·Train and retain great traders
·Be open and honest with ourselves, our colleagues, our shareholders and our communities ·Get incentives right
·Foster an environment of respect and inclusiveness
·Give back to our communities

We are proud of the phenomenal growth we have achieved. As we have grown, we have been able to retain our main focus - treating our customers as unique individuals with different needs. Our success is based on that solid foundation. Growth has been achieved through a combination of strong leadership, product diversification, excellent technology and a corporate culture that attracts and retains high caliber employees and encourages initiative and innovation.

We now have some of the widest ranging and most technologically advanced resources in our industry and through our growing international network of institutional partners we are able to meet our customers trading needs virtually anywhere in the world, 24 hours a day. However, it is due to the efforts and dedication of our people that we have won an excellent reputation in this highly competitive industry.

Welcome to
Pulse Capital investments

Your business is important to us, and so is your satisfaction. We are committed to provide the best possible tools, the best possible service and, above all... integrity.

Thank you for considering Pulse Capital investments as your dealer for CFDs on indices, currencies, commodities and stocks. If you wish to speculate in alternative derivative markets, we are sure you will find Pulse Capital investments to be among the finest in the industry. As an experienced member of the trading industry for many years, we know the importance of having a knowledgeable and experienced dealer.

Pulse Capital investments is a company that provides a unique service within the derivatives market. We operate relationships with the main derivative providers in the world which provides us with a unique opportunity to know exactly what products and services are available within this industry, with CFDs (contracts for difference) being our specialty. We use this knowledge to assist our institutional and high net worth clients in meeting their exact requirements whether it, be a competitive commission or the right dependable trading tools for their trading activities. We believe that the service we provide is one that is not available elsewhere in the derivatives industry. With so many providers and so much information available it can be difficult for institutions to know or indeed find exactly what they need. Pulse Capital investments takes a lot of the leg work and guess work out of the equation by providing the information required to make an informed judgment.

At Pulse Capital investments, we leverage the latest in technology, software and market data to deliver real-time pricing to our worldwide network of customers and referring parties. We quote an extensive range of prices on the majority of the world's major financial markets and deliver those through our dependable trading tools.

Our customer service-oriented dealing desk and support staff are available 24 hours a day to assist you with any questions or issues you may have. Because we understand and appreciate the demands of global private investors, we have hired an experienced staff that is committed to providing you with the highest levels of customer care, technology, accountability, and above all, integrity.

Benefits of CFDs

Low Commissions

Pulse Capital investments offers low commissions trading on index, currency, commodity and equity CFDs. A low commission charge is applied to equity CFDs. As we are committed to offer you the most competitive trading service, we intend this commission charge to be the lowest on the market.

Tight Spreads

Pulse Capital investments is renowned for offering tight spreads. The tighter the spread, the easier and faster it is for you to make a profit. We are committed to offering our clients ultra tight spreads, which has helped us to become one of the leading players in the industry.

Risk Management

Trading on margin increases your risk because you can potentially lose more than your initial deposit. However, there are many ways of managing your risk with a range of flexible orders including Limits (Take Profits), Stop- losses, OCOs (One Cancels the Other) and If Dones. All of these orders can be placed and are free to use. Pulse Capital investments also offers clients the opportunity to use a guaranteed stop, under specific conditions. Guaranteed stops enable you to place a stop order at a predetermined level in order for you to guarantee your maximum loss. Therefore, you have a known 'worst case scenario' should the market move against you. Because we guarantee the price at which the trade is stopped there are conditions to this type of order. Specifically, there is a premium charge when opening the trade, additionally any stop loss can only be placed at a minimum number of points / percentage away from the current market price. It is rare to find guaranteed stops in the traditional share trading environment.

Extended Hours and Trading Service

Pulse Capital investments offers extended CFD trading hours on a number of stocks and indices. It is important to note that betting on extended hours shares may mean that the underlying markets move against you and increase your margin requirement at times when banks are closed for business. Therefore, you should take this into account when deciding what level of funds to deposit with us in order to satisfy the margin requirements at all times. As Pulse Capital investments offers 24 hour global trading, we have both dealing and client services staff here from Sunday night through Friday night to support your CFD trading.

What are Contracts for Difference (CFDs)

The contracts for difference (CFD) are contracts to exchange the difference between the opening and closing values of a trading instrument, multiplied by the number of CFDs in the contract. CFDs can be contracts with a share, stock index, bond, interest rate, commodity or foreign currency as the underlying market. CFDs are one of the fastest growing financial instruments. Fast to trade, instant settlement and no Stamp Duty, low commissions are just a few of the reasons why. The CFD industry for the retail investor really started late in 1999 during the Tech Boom. At that time there were only a handful of brokers offering CFDs, now there are a much larger number.

The problem facing the retail investor is mainly which broker is best for them. All of the brokers have their own specialties and knowing what these are will ensure you get the best deal. Where we fit in, is as an independent specialist with the intention to be your right trading partner, handle all the paper work and provide you with the keenest rates in the market.

CFD or Contracts for Difference are an agreement between two parties to exchange, at the close of the contract, the difference between the opening price and the closing price, multiplied by the number of 'reference shares' specified within the contract. The 'reference shares' are the underlying shares specified in the CFD. The economic performance of a CFD is determined by the performance of the underlying reference shares. The underlying of a CFD can be a share, an index, a currency or a commodity.

Although CFDs replicate the price movement of the underlying reference shares, they convey no right or requirement tacquire or deliver the physical shares. The contract value of a CFD is defined as the number of reference shares specified in the contract, multiplied by the price of the underlying reference share. If you take a long position, you will make a profit if the contract value increases. Conversely, if you take a short position, you will benefit if the contract value falls. You can, therefore, profit from both rising and falling share prices. It is important to note that CFDs are a margin product and as such are not suitable for all investors. Due to the leveraged nature of the product you may lose far in excess of your initial investment.

CFD means Contracts for Difference. As the name suggests a CFD is simply the settling of a contract for the difference between the purchase price and the sale price of a financial instrument. A CFD mirrors the performance of an instrument, such as equities, commodities or treasuries offering the benefits of trading these without having to physically own the underlying instrument itself. CFDs offer traders a number of benefits over and above that of some other trading instruments.

Pulse Capital investments's CFDs are “financed” equity trades that give you low cost, low margin two way exposure to equity markets. We offer you the ability to trade live on line, over the telephone and through our institutional partners.

What’s stopping you?

A long (purchased) position in a CFD receives all the returns of an equivalent long position in the underlying equity, resulting in 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.

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

As one of Europe's fastest-growing trading instruments, CFDs are very simple and relatively inexpensive to trade, and are more flexible than other trading alternatives. CFDs can suit most trading strategies, and can complement your existing investing methods.

CFDs were originally created to imitate traditional share trading, but they differ because you don't actually own the share; it is a derivative product. So you can seek to profit from price fluctuations without putting down large amounts of capital. CFDs offer active traders significant benefits over other trading products. For example, with CFDs, you may have the ability to profit from both rising and falling markets, and you can also leverage your capital up to 5:1 with Pulse Capital investments.

These include:

- Flexible - Trade long and short
- Leverage
- No taxes on US, Asian and European shares
- Deposit between 1% and 10% to hold a position
- Risk Control - Stop, Limit, OCO and If Done orders are available

Due to the nature of CFDs they are particularly attractive to active traders. Therefore by offering these products not only can you potentially drive new business but also retain existing business from your most active and profitable clients. A single account can give you access to stock indices, oil, gold, silver, and of course a wide range of foreign currency market pairs. You can instantly use your gains from one trade to open new positions in other markets, or to diversify your investments across a number of different markets.

You can manage your risk using Stop Loss and Limit orders. We also provide trailing stops, entry orders and much more. Please talk to an account executive about the many tools we provide free of charge.

Going long or short with CFDs

Markets go down as well as up. With CFDs you can potentially profit from falling markets because you are trading on the price movement of a financial instrument without physically owning it. This makes it as easy to sell an instrument as it is to buy. This is known as 'going short'.

If you are holding long-term stocks, CFDs can help you protect your positions in times of market volatility.

Short selling

Go both short (sell) or long (buy) on stocks and profit from rising or falling markets. Borrowing fees are negotiated at preferential institutional rates and priced into the interest rate.

Gearing

Match the market exposure of a conventional underlying share purchase with as little as 5% or 10% of the capital.

Low costs

Aside from the lower commissions, there is no taxes or other charges associated with trading on an exchange.

Online dealing service

Use our fully automated, on line dealing service to view transaction details, prices, summary, equity, balance and other relevant concepts.

Tailored services.

We can tailor our CFD product to suit your needs. We provide full middle office and back office functionality free of charge. We offer additional risk management and technology services geared at enabling start up funds.

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, you can use CFDs to go long on the cheaper stock, whilst going short on the more expensive stock.

Efficient trading

•Tax efficiency - if you hold physical shares, you can sell CFDs against these without crystallizing a potential capital gain, enabling you to control the timing of 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 allows.

Short-term trading

Perfect if you are a proactive investor with strong views on the market and want to maximize your potential short-term returns through gearing.

Risk Disclosure Statement

This brief statement does not disclose all of the risks and other significant aspects of CFDs trading on margin.

Due to the volatile nature of the derivate and OTC markets, the purchase and the sale of CFDs underlying shares, indices, currencies or commodities, involves a high degree of risk. CFD transactions can therefore not be suitable for many members of the public. Such transactions should be entered into only by persons who have carefully considered the risk involved with the trading of CFDs. A person should not purchase a CFD unless he or she is prepared to sustain a total loss of the purchase price, which may far exceed the purchase price. All investors should read and understand the risk disclosure related to trading CFDs which is provided to all investors in connection with the opening of a trading account with Pulse Capital investments.

The high degree of leverage available can work against you as well as for you. Before deciding to invest in CFDs you should carefully consider your investment objectives, level of experience, risk appetite and other circumstances. The possibility exists that you could sustain a loss of some, all, or far more than all of your investment and therefore you should not invest money that you cannot afford to lose. You may be liable for losses that exceed the amount of margin that you post. By making such investments, you are deemed to guarantee that you are able to assume the risks implied by CFD transactions.

Trading in CFDs is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances. In light of the risks, you should undertake such transactions only if you (the "Client") understand the nature of the trading into which you are about to engage and the extent of your exposure to risk. In case you are not sure of the suitability for you of investing in CFDs, you should ask for expert advice.

For CFD trading, we do not accept Customers from the United States of America. It is your responsibility to make sure that there is no impediment, legal or otherwise, preventing you from trading through us and in the event that you are prohibited from trading with us and do so, we shall not be liable in any way whatsoever for such prohibited trading. It is the Client's responsibility to refrain from trading through us in case he/she is prohibited to do so and we shall not be held responsible in case the Client does not fulfill this obligation.

A detailed example of a long (purchased) CFD Trade

-HSBC Holdings PLC-

You wish to buy 40 CFDs in HSBC Holdings (FTSE 100 index member):

Bid/Offer:	£700.00/700.25
Trade:	Buy 40 CFDs at £700.25
Margin Requirement:	40 x £700.25 x 10% = £2,801.00
Taxes:	None
Commission:	£70.00 (0.25% of nominal)

The financing of this position works as follows:

Interest Rate:	7% (3% above LIBOR in this example = 4%)
Closing Share Price:	£700.25
Daily Interest owed:	40 x £700.25 x 7% / 365 = £5.44

In the event of a benefit resulting from a Corporate Action, your account will be credited.
In this example, HSBC Holdings pays out a dividend:

Dividend:	Net £5.60
Total Credit:	£5.60 x 40 = £224

10 days after opening the position, you decide to sell your CFD when the price of HSBCHoldings reaches £712.50 During this period your interest payments totaled £54.40. Thiswill vary as daily interest is calculated on the value of the position at the close of business.Your position is closed as follows:

Bid/Offer:	£712.50/712.75
Trade:	Sell 40 CFDs at £712.50
Commission:	£71.25 (0.25% of nominal)

The net result is as follows:

Opening level:	£700.25
Closing level:	£712.50
Difference:	£12.25
Profit on trade:	£490.00 (£12.25 x 40)
Total commission:	£(141.25)
Dividend:	£224
Interest payments:	(£54.40)
Net Profit:	£518.35

A detailed example of a long (purchased) CFD Trade

-Spot Gold-

The Spot Gold market enables you to trade a rolling Gold contract without the contract expiring. A position held in the Spot Gold market will be subject to a daily financing adjustment (outlined below).

It has been a very active day in the Gold market as speculators have continued to push up the price. Spot gold finishes the session just off the day' s highs and you believe that there is still much room for further rises.

You BUY 200 CFDs at 1,406.25, and here you should note:

That you are trading “per 0.1” i.e. if Gold moves from 1350.00 to 1351.00, that is 10 “ticks” or equivalent to a $200 move on a trade of 200 CFDs.

That the base currency of the underlying Spot Gold market is US dollars, so this is what you will be trading in.

Bid/Offer:	$ 1,406.12/1,406.25
Trade:	Buy 200 CFDs at $ 1,406.25
Margin Requirement:	200 x $ 1406.25 x 3% = $ 8,437.50
Taxes:	None
Commission:	42.18 (0.05% of nominal)

The financing of this position works as follows:

Interest Rate:	4% (3% above Overnight LIBOR Rate, in this example = 1%)
Closing Gold Price:	$ 1,407.15
Daily Interest owed:	200 x $ 1,407.15 x 4% / 360 = $ 31.27

By the following day you notice that the price has risen yet further, through the $1,415.60 level and our quote is 1,415.60 – 1,415.95, then you decide to close out your position and SELL 200 CFDs at 1,410.60

Bid/Offer:	$ 1,415.60/1,415.95
Trade:	Sell 200 CFDs at $ 1415.60
Commission:	$ 42.46 (0.05% of nominal)

The net result is as follows:

Opening level:	$ 1,406.25
Closing level:	$ 1415.60
Difference:	$ 9.35
Profit on trade:	$ 1,870 ($ 9.35 x 200)
Total commission:	($ 84.49)
Interest payments:	($ 31.27)
Net Profit:	$ 1,754.24

A detailed example of a short (sell) CFD Trade

-Dow Jones Industrial A verage Index-

The Dow Jones Industrial Average index is trading around 11,850 points. After a strong rally of 200 points over the last month you believe the market may be due a fall.

You SELL 10 CFDs at 11,850. For every point that our quote on the Dow Jones index falls, you will win $10, but for every point it rises you will lose $10.

Bid/Offer:	11,850/11,851
Trade:	Sell 10 CFDs at 11,850
Margin Requirement:	10 x 11,850 x 3% = $ 3,555.00
Taxes:	None
Commission:	17.77 (0.05% of nominal)

The financing of this position works as follows:

Interest Rate:	-2% (3% below Fed Fund Rate, in this example = 1%)
Closing DJI Price:	11,849
Daily Interest owed:	10 x 11,849 x -2% / 360 = $ 6.58

One day later you see that our quote on the Dow Jones index has actually fallen to 11,795 – 11,796. Then, you decide to close your CFD position and BUY 10 CFDs at 11,796

Bid/Offer:	11,795/11,796
Trade:	Buy 10 CFDs at 11,796
Commission:	$ 17.69 (0.05% of nominal)

The net result is as follows:

Opening level:	11,850
Closing level:	11,796
Difference:	54 points
Profit on trade:	$ 540 (54 points x 10)
Total commission:	($ 35.46)
Interest payments:	($ 6.58)
Net Profit:	$ 511.12

A detailed example of a long (purchased) CFD Trade

-Euro/US dollar-

On the eve of a European Central Bank rates meeting, the euro/US dollar spot rate (EUR/USD) is trading around 1.2533.

You believe the Bank may well make a surprise hike in ECB rates and BUY 200,000 CFDs at 1.2535, expecting the euro to strengthen relative to the US dollar. This is equivalent to buying 200,000.

Bid/Offer:	$ 1.4035/1.4037
Trade:	Buy 200,000 CFDs at $ 1.4037
Margin Requirement:	200,000 x $ 1.4037 x 1% = $ 2,807.40
Taxes:	None
Commission:	28.07 (0.01% of nominal)

The FX CFDs are a special form of CFD which give you exposure to underlying exchange rates BUT they are cash-settled, so they cannot result in delivery of the underlying currency. A quick way to work out potential profit is to think of the value of one "pip", i.e. for EUR/USD, for 100,000 CFDs each pip has a value of $10

The financing of this position works as follows:

Interest Rate:	differential of relevant overnight EURIBOR rate of 1st named currency and that of 2nd named currency, here these are 1.50% and 1.00% = .05% differential
Closing Price:	$1.4038
Daily Interest owed:	200,000 x 1.4038 x .5% / 360 = $ 3.89

If the first currency has a higher interest rate, then you are credited interest for running a long position and debited interest for running a short position.

If the first currency has a lower interest rate, then you are debited interest for running a long position and credited interest for running a short position.

At 10:45 the next morning the Bank's decision is announced – rates are raised at 2.00% level and US dollar drops. Deciding to close your trade you see that the current quote is 1.4082 - 1.4084 and SELL 200,000 CFDs at 1.4082.

Bid/Offer:	$1.4082/1.4084
Trade:	Sell 200,000 CFDs at $1.4082
Commission:	$28.16 (0.01% of nominal)

The net result is as follows:

Opening level:	$ 1.4037
Closing level:	$ 1.4082
Difference:	$ .0045
Profit on trade:	$ 900 ($.0045 x 200,000)
Total commission:	($ 56.23)
Interest payments:	($ 3.89)
Net Profit:	$ 839.88

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