

Short Plus

Combine short selling with your Margin Loan.

Short Plus may be suitable if you:

- Are looking to profit in a bear market
- Want to hedge your investments without the use of derivatives
- Plan to adopt a pairs trading strategy

What is Short Plus?

Short Plus is a feature you can add to your Leveraged Equities Margin Loan. It expands the way you can use your Margin Loan.

Why use Short Plus?

Short Plus allows you to implement a short selling strategy, using your Margin Loan to borrow shares.

Depending on your risk profile, short selling can form part of your overall investment strategy to create and protect wealth in a falling market.

With Short Plus you can:

- Borrow shares that you believe will fall in value to sell;
- Hedge your investments by short selling to offset potential losses without the use of derivatives; and
- Pairs trade and profit from both sides of buying and selling an investment.

Getting started

Read the Short Plus Product Guide and complete the attached Application Form.

Once the feature is approved and activated, contact your Leveraged Relationship Manager to request the shares and quantity you intend to short sell. If available, an Authorisation Number will be provided to you so you can instruct your stockbroker to sell those shares on the same day.

The settlement will occur on your Margin Loan in the same manner as a standard buy or sell trade. Adjustments to your Margin Loan for Collateral and Safety Margin will occur during the time you have borrowed the shares.

When you intend to return the shares, instruct your stockbroker to buy those shares and notify your Leveraged Relationship Manager that you wish to return the shares you borrowed upon settlement.

Short Selling strategies available under Short Plus

Strategy	Construction	Potential Benefit
Profit	<ul style="list-style-type: none"> • Borrow shares to short sell • Buy back shares at lower price 	<ul style="list-style-type: none"> • Earn a profit from buying back shares at lower price
Hedge	<ul style="list-style-type: none"> • Shares held on Margin Loan • Borrow same shares to short sell • Buy back shares at lower price 	<ul style="list-style-type: none"> • Shares can be more liquid than entering into an option or warrant trade to hedge
Pairs Trade	<ul style="list-style-type: none"> • Buy shares in a transport company on Margin Loan • Borrow shares in an oil and energy company • Short sell shares in the oil and energy company 	<ul style="list-style-type: none"> • If oil prices fall, profit from a share price rise in the transport company and the fall in the share price of the oil and energy company

Importantly, you must buy back the shares you have short sold within 11 months and 15 days.

In addition, where the share you have short sold becomes subject to a corporate action such as a dividend or other form of entitlements you are liable to compensate. Your Leveraged Relationship Manager will advise you when this happens.

The professional's choice

For those interested in putting in place an investment strategy to help build wealth, we can help. Our service is designed to help investors navigate through dynamic market conditions and realise their financial goals.

Our extensive market experience means you can enjoy the confidence that comes from the superior education and insights we provide. You can expect premium service supported by our proven risk management expertise, advanced portfolio monitoring tools and client nominated target gearing alerts.

At Leveraged we're proud of our heritage. We are one of the first and longest continually operating margin lending specialists in Australia. As a wholly owned subsidiary of Bendigo and Adelaide Bank, we are backed by the strength of more than 150 years of banking, investment and lending expertise.

For more information

Ask your financial adviser whether Short Plus is right for you, or contact us.

Call 1300 307 807

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Visit www.leveraged.com.au

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