

2023

DNKR ZA (Pty) Ltd

## Liquidity Agreement

**APPLICATION FORM (AGREEMENT)**

This Application of DNKR ZA (Pty) Ltd, a company organized under the laws of Republic of South Africa with an office at Office 114 1st Floor, Liberty Life Building, 21 Aurora Drive, Umhlanga, Durban, 4320, South Africa, hereinafter referred to as the “**Company**” or “**we**” or “**us**” (the “**Application Form**”) should be completed and signed by the above client (hereinafter referred to as the “**Client**” or “**you**”).

Client information	
Client’s full legal name:	
Registration number:	
Registered Client address	
Address line 1:	City:
Address line 2:	Country:
Address line 3:	Post code:

**By signing this Application Form (Agreement), on behalf of the Client, I/We confirm that I/We have read, understood, agree and accept the offer to enter into and to be bound by the Contractual Documentation which consists of this Application Form (Agreement), KYC Form and Terms & Conditions of the Company, together with all applicable appendixes and schedules made available to the Client pursuant to provisions of the Contractual Documentation.**

**I/We, the signatory/signatories named below, confirm that the information contained within this Application Form (Agreement) and in KYC Form (along with the documents and files indicated in its content) are completely accurate and up to date.**

**I/We represent and warrant that I’m/We are authorized (full right, power and authority) to enter into Application Form (Agreement) on behalf of the Client and comply with the Contractual Documentation.**

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**By signing this Application Form (Agreement) I/We request and agree to open an account with the Company for the purposes of providing financial services pursuant to Terms & Conditions of the Company and hereby consent to use of electronic communication in order to enter into Application Form (Agreement).**

<b>Duly authorised signatory for and on behalf of the Client named above.</b>
Signature:
Name in full:
Title:
Date:
<b>Duly authorised signatory for and on behalf of the Company.</b>
Signature:
Name in full:
Title:
Date:
<b>Company KYC Team approval</b>
Signature:
Date:

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## TERMS & CONDITIONS

### 1. INTRODUCTION

- 1.1** On the basis of this Contractual Documentation the Company shall provide the Client with a liquidity solutions and dealing services.
- 1.2** The Client and the Company are hereinafter jointly referred to as the “**Parties**” and each individually as a “**Party**”.
- 1.3** In this Terms & Conditions, the following terms shall have the following meanings:
- 1.3.1** “**AML/CFT**” – shall mean counteracting money laundering and the financing of terrorism applicable laws or regulations (including reporting requirements) of any jurisdiction;
- 1.3.2** “**Business Day**” – shall mean a day (other than a Saturday or Sunday) on which banks are generally open in London;
- 1.3.3** “**Contractual Documentation**” – shall mean Application Form (Agreement), KYC Form (along with the documents and files indicated in its content) and this Terms & Conditions, together with all of its schedules and applicable appendixes;
- 1.3.4** “**Effective Date**” – shall mean the date from the submission of the last required signature by persons authorized to represent the Parties on the Application Form (Agreement), with the proviso that the Contractual Documentation is executed subject to a condition precedent in the form of a positive verification of the KYC Documents relating to the Client by the compliance department of the Company. Lack of a positive completion of the verification process results in the lack of entry into force of the Contractual Documentation, even if the documentation is signed by the Parties. The decision about the approval is at the Company's absolute discretion. Information about the final approval is passed on to the Client.
- 1.3.5** “**Intellectual Property Rights**” – shall mean any and all intellectual property rights, of all types or nature whatsoever, including patent, copyright and related rights, design rights, trade marks, database rights, applications for registration of any of the above, moral rights, know-how, trade secrets, domain names, URLs, trade names, all rights of whatsoever nature in computer software or any other intellectual or industrial property rights (and any licences in connection with any of the same), whether or not registered or capable of registration, and whether subsisting in any specific country or countries or any other part of the world;
- 1.3.6** “**KYC Documents**” – shall mean all documentation and information that may be required by the Company to commence relation with the Client and as part of periodic reviews of the Client, which the Company is entitled to perform;
- 1.3.7** “**Trading Day**” – shall mean the day on which a given financial instrument is quoted.
- 1.4** In Contractual Documentation, unless otherwise specified, any reference to:

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- 1.4.1** clauses and/or schedules are to clauses and/or schedules to this Terms & Conditions respectively;
- 1.4.2** a document is a reference to that document as supplemented, modified or amended from time to time;
- 1.4.3** a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, governmental or state agencies, (in each case whether or not having separate legal personality); and
- 1.4.4** “writing” includes written by hand and email, but excludes fax transmission, SMS and similar means of communication.
- 1.5** In Contractual Documentation, any phrase introduced by the words *include, including, includes* and *such as* are to be construed as illustrative, and shall not limit the sense of the words preceding those words.
- 1.6** The division of this Terms & Conditions into clauses and sub-clauses, and the headings used in this Terms & Conditions, are for convenience only, and shall not affect the interpretation of this Terms & Conditions.
- 1.7** In this Terms & Conditions any reference to the Client shall include all those acting in the name or on the account of the Client including employees or authorised personnel of the Client and any other person instructed to by the Client to act on its behalf.
- 1.8** Unless the context requires otherwise, words in singular include the plural and vice versa.
- 1.9** All wordings and expressions written in capital letters shall have the meaning given to them in these Terms & Conditions, even if their form used in the Terms & Conditions is related to the grammatical variety of the defined wordings or expressions.
- 1.10** The services that we offer hereunder are subject to any disclosures or disclaimers found within the Company website. We reserve the right to modify or discontinue, temporarily or permanently, a service (or any part thereof) with or without notice. You agree that we will not be liable to you or to any third party for any modification, suspension or discontinuance of a service.
- 1.11** Trading contracts for difference involves substantial risk that is not suitable for everyone. Trading on-line, no matter how convenient or efficient, does not necessarily reduce risks associated with contracts for difference trading.
- 1.12** The Company will not be under any duty to provide the Client with any legal, tax or other advice relating to any transaction. The Client may wish to seek independent advice before entering into any transaction.
- 1.13** The Agreement is subject to a condition precedent that we must review the information you provide for the purposes of the AML/CFT risk assessment, we must verify this data on the basis of the documents provided by you and independent sources. After positive verification, the Agreement shall enter into force. In the absence of (i) a positive verification, or (ii) if the verification has not been completed for reasons beyond the control of the Company within 90 Business Days, the Agreement shall be deemed not to have been concluded and your details provided to us for the purpose of the Agreement shall be deleted by us.

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- 1.14** The Client agrees that the Company may, from time to time and at its discretion, provide the Client with information, news, market commentary or other information but not as part of its services to the Client. Where it does so:
- a) the Company will not be responsible for such information;
  - b) the Company gives no representation, warranty or guarantee as to the accuracy, correctness or completeness of such information or as to the tax or legal consequences of any related transaction;
  - c) this information is provided solely to enable the Client to make his own investment decisions and does not amount to investment advice or unsolicited financial promotions to the Client.
- 1.15** Unless the Company has indicated otherwise in the Contractual Documentation, all reports and balances reported at the end of the day are as of 22:00 UTC during the winter session and 21:00 UTC during the summer session.
- 1.16** Notwithstanding anything in this Terms & Conditions to the contrary, our obligations under this Terms & Conditions are expressly conditioned on the following:
- (a) Your notional daily tradable credit limit is the amount identified in Schedule no. 1 to these Terms & Conditions; and
  - (b) You pay us the minimum deposit identified in Schedule no. 1 to these Terms & Conditions before you execute your first transaction, paid in due to these Terms & Conditions.

## 2. SERVICES

- 2.1** We will offer intermediary execution-only dealing services to you in relation to contracts for difference transactions and such additional services as we may agree from time to time. We will not advise you on the merits or suitability of any transaction entered into pursuant to the Contractual Documentations. We will not manage nor monitor your investments. Our intermediary execution of any order on your behalf does not in any way imply any approval or recommendation of that transaction. Although we are not required to explain to you any risks that may arise because of a particular transaction, we have set out various risk disclosures attached to this Terms & Conditions and on our website for your information.
- 2.2** You will enter into each transaction with principal through us as intermediary and not as agent on behalf of someone else unless otherwise agreed in writing by us. Our sole responsibility is to transmit all your dealing instructions to a liquidity provider for execution, who serve as the counterparty to your transactions. Therefore, we do not engage as a counterparty in your transactions. We are not a market-maker and do not make a mark-up on the spread provided by the liquidity provider. A detailed list of liquidity providers with whom the Company cooperates is set out in FAIS disclosure document.
- 2.3** We shall be responsible to you alone and shall have no duties or obligations to your underlying customers (if any).
- 2.4** We will not, unless specifically agreed to in writing with you, be acting in a fiduciary capacity or provide any personal recommendation to you in respect of, nor provide any advice to you on the merits of, any transaction in

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financial instruments. Accordingly, you should make your own assessment of any transaction that you are considering in the light of your own objectives and circumstances, including without limitation the possible risks and benefits of entering into that transaction. You should not rely on any information, proposal or other communication from us as being a recommendation or advice in relation to that transaction.

### **3. PRICES AND OPEN POSITIONS**

- 3.1** We will provide you with "bid" and "offer" prices in respect of currencies through your trading platform or the Company liquidity connection. The prices that we quote are prices based on prices received from various market participants and may or may not be marked up or marked down from inter-bank spreads by the liquidity provider. The Company does not represent that prices provided reflect inter-bank spreads. Each price shall be effective and may be used in a dealing instruction prior to the earlier of its expiration time and the time, if any, at which it is otherwise withdrawn by us. A price may not be used in a dealing instruction after such time. Each price shall be available for use in a dealing instruction for a transaction with a principal amount not to exceed a maximum determined by us. You acknowledge that these prices and maximum amounts may differ from prices and maximum amounts provided to other clients of ours and may be withdrawn or changed without notice. We may in our sole and absolute discretion and without prior notice to you immediately cease to provide prices in some or all currency pairs and for some or all value dates at any time.
- 3.2** Our service is restricted to intermediaries executing transactions at the quoted prices at your request. When executing transactions we will not be executing orders on your behalf and accordingly we will not be subject to any obligation to take reasonable steps to obtain the best possible result for you.
- 3.3** We may combine your orders with orders for our own account or the account of our affiliates or with those of other clients. By aggregating your orders with those of other clients, we must reasonably believe that it is unlikely that the aggregation would work overall to the disadvantage of those clients. However, the effect of the aggregation may operate on some occasions to your disadvantage in relation to a particular order. We may fill your orders for a portion of the principal amount specified in the dealing instruction. In such an event, the unfilled portion of the order shall remain in effect until withdrawn, cancelled or executed.
- 3.4** We may require you to limit the number of open positions that you may have through us at any time. We may at any time in our sole and absolute discretion close out any one or more transactions in order to ensure that such positions limits are maintained.

### **4. INSTRUCTIONS AND TRANSACTIONS**

- 4.1** Unless otherwise agreed by us, all dealing instructions must be given to us electronically through your trading platform or our liquidity connection.
- 4.2** A dealing instruction given by you shall not take effect until actually received by us. In the absence of fraud, gross negligence or willful misconduct on our part, we shall be entitled to act on your behalf upon instruction given or purporting to be given by you or any other person on your behalf without further inquiry as to the genuineness, authority or identity of any such person giving or purporting to give such instructions.

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- 4.3** We may, in our sole and absolute discretion, refuse to accept any dealing instructions from you but will endeavor to notify you of any such refusal, without giving any reasons, promptly following receipt of your instructions. In addition, a dealing instruction that for any reason is not received by us in a manner in which it can be processed shall be deemed rejected by us. We may cancel any instructions previously given by you provided that we have not acted on your instructions. Neither we, our affiliates, nor any of our or their directors, officers, employees and agents shall be liable for any loss or damage (including direct, indirect or consequential loss or loss of profits) suffered by you or any third party in connection any action or inaction under this Section 4.3, except to the extent that such loss or damage results directly from our or their fraud, gross negligence or willful misconduct.
- 4.4** Subject to Section 2.2 above, intermediary execution of a dealing instruction by us shall constitute a binding agreement by you and us to a transaction between us on the terms of such instruction.

## 5. ON-LINE ACCESS

- 5.1** In order to use our online account review facility, known as the Company Back Office ("**On-Line Facility**"), you will need to request an username and password ("**Access Code**") from us. You will need to provide the Access Code each time you wish to use the On-Line Facility.
- 5.2** In relation to the Access Code, you acknowledge and undertake that:
- (a) you will be responsible for the confidentiality and use of your Access Code;
  - (b) other than with our prior written consent, you will not disclose your Access Code to persons other than your authorized representatives for any purpose whatsoever;
  - (c) we may rely on all instructions, orders and other communications entered using your Access Code, and you will be bound by any transaction entered into or expense incurred on your behalf in reliance on such instructions, orders and other communications; and
  - (d) you will immediately notify us at our client services desk if you become aware of the loss, theft or disclosure to any third party or of any unauthorized use of your Access Code.
- 5.3** We accept no liability for the consequences of disclosing the Access Code by you to third parties. You are responsible for the consequences of all orders and instructions executed by us based on the correct Access Code.
- 5.4** If we believe that your Access Code is being used without your knowledge by unauthorized persons, we may without prior notice suspend your rights to use the On-Line Facility. Further, if we believe that you have supplied your Access Code to other persons in breach of Section 5.2 above, then we may terminate this Agreement immediately or take such other action as we may determine in our sole and absolute discretion.
- 5.5** You shall be solely responsible for providing and maintaining any equipment and software and for making all appropriate arrangements with any telecommunications suppliers or, where access to the On-Line Facility is provided through a third party server, any such third party, necessary in order to obtain access to the On-Line Facility. Neither the Company nor any company maintaining, operating, owning, licensing, or providing services

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to the Company in connection with, the On-Line Facility (a “**Service Provider**”) makes any representation or warranty as to the suitability or otherwise of any such equipment, software or arrangements.

- 5.6** You will not use, or allow the use of, the On-Line Facility (i) in contravention of any laws, regulations or rules of any regulatory authorities to which you or we are subject; (ii) in any way (including without limitation posting information on the On-Line Facility where this facility is available) that is defamatory, obscene, abusive, indecent or menacing or that infringes any Intellectual Property Rights or breaches obligations of confidence or that is otherwise illegal or unlawful; (iii) to introduce a software virus or other disruptive program or do any act that would cause the On-Line Facility to become unavailable for use by others; (iv) to solicit or encourage other Internet websites to frame or hypertext link direct to the On-Line Facility without the prior written consent of the Company; or (v) in any way that is not authorized by the Company or in breach of the Contractual Documentation or any other agreement with the Company.
- 5.7** The On-Line Facility is provided for your use only. The On-Line Facility is not a futures exchange or a securities exchange.
- 5.8** We will be able to remove you from algorithmic trading at any time if we have reasonable grounds to believe that orders placed by you may adversely affect the transaction system and the trading venues on which the underlying instrument on which we have based is traded.

## **6. CONFIRMATIONS**

- 6.1** Following the intermediary execution of a transaction for your account, we will confirm that transaction by electronic receipt and/or reflecting the same in the On-Line Facility. However, failure to do so will not affect the validity of the transaction.
- 6.2** We will post details of your account activity on-line and you will be able to generate daily, monthly and annual reports of account activity as well as a report of each executed trade. Updated account information will be available no more than twenty-four hours after any activity takes place on your account. Posting of account information on your on-line account will be deemed delivery of confirmation and account statements. Account information will include trade confirmations with ticket numbers, purchase and sale rates, used margin, amount available for margin trading, statements of profits and losses, as well as current open or pending positions. Please notify us if you wish to receive confirmations by email rather than through the On-Line Facility.
- 6.3** We do not accept any delegation and/or power of attorney from you to report your transactions to any public authority due to any law or regulation in particular but not limited to: EMIR and/or Dodd Frank. You are solely liable for reporting your transactions.

## **7. CONSENT TO ELECTRONIC COMMUNICATION**

- 7.1** You consent and agree that communications between us may be and ordinarily will be made via electronic media (including the On-Line Facility). Communications sent through the website or by electronic media shall be

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treated as satisfying any legal requirement that a communication should be signed and in writing, to the extent permitted by applicable law.

## 8. MARGIN AND COLLATERAL

- 8.1** As a condition of entering into a margined transaction, we may in our sole and absolute discretion require the deposit of funds or other collateral acceptable to us as security for payment of any losses incurred by you in respect of the transaction ("**Initial Margin**"). Initial Margin is due and payable immediately as a condition to opening the relevant margined transaction and we may decline to open any margined transaction if you do not have sufficient available funds in your account to satisfy the Initial Margin required for that transaction at the time the relevant order is placed.
- 8.2** To open position Margin Level on your account must be no less than 100%. Be aware that losses from other open positions will decrease your Margin Level but profit from other open positions will not increase your Margin Level.
- 8.3** Margin requirements may be set and varied without prior notice from time to time at our sole and absolute discretion including without limitation subsequent variation of any margin rates set at the time that a margined transaction is opened ("**Variation Margin**" together with Initial Margin, collectively, "**Margin**").
- 8.4** Margin shall be provided by or on behalf of you in funds or collateral acceptable to us as determined by us in our sole and absolute discretion. You must inform us immediately if you cannot, or believe you will not be able to, meet a Margin payment when due. You must maintain in your account, at all times, sufficient funds to meet all Margin requirements. We are not obliged to make Margin call warnings of you at all or within any specific time period. In addition we shall be entitled to treat any assets deposited with us by you from time to time (other than assets deposited for safe custody only) as collateral (legal transfer of title to assets) against your Margin requirements. In all cases we shall be entitled in our sole and absolute discretion to determine the value of any collateral deposited with us.
- 8.5** We may require payment of Margin by you via immediate electronic funds transfer or any other method acceptable to us. Only funds received net of any bank charges, which relate to the transfer, will be credited as paid. All payments must be done on our bank account. You must be the owner of all of the funds you deposit with the Company. It is accepted that ownership to the funds you deposit with the Company belongs to your shareholders. Upon payment you transfer ownership of all of the funds you deposit with the Company in accordance with Section 8.11 below. We accept no liability for any segregation of fund of clients.
- 8.6** If there is insufficient Margin in your account or if the deposited Margin is insufficient to meet the required Margin rates, we may in our sole and absolute discretion choose to close or terminate your margined transaction immediately, without notice to you. You should be aware that hedge account should be strictly monitored to maintain Margin Level at 100% or more at every time and it is a sole responsibility of the client. If Margin Level on your account falls below 30% the stop-out mechanism will be activated automatically.
- 8.7** Without prejudice to the foregoing, any transaction entered into by you or on your behalf that results in there being insufficient Margin to cover any actual or anticipated losses or liabilities in connection with your account

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will constitute an Event of Default and we may in our sole and absolute discretion exercise our rights in Section 18 below, whether there has been a Margin call warning or not.

- 8.8** Notwithstanding the fact that we are not obliged to make Margin call warnings prior to liquidating your margined transactions if you fail to maintain sufficient funds to meet the Margin requirements, Margin call warnings may be made at any time by telephone, telephone answering machine message, voice mail, letter, fax, e-mail or any other means of electronic communication. Therefore, you must notify us immediately and provide alternative contact details to ensure Margin call warnings can be made if you will not be contactable at your usual contact details provided, e.g. when you are traveling or on holiday. Any Margin call warnings we make of you may be made by any method of communication listed above. We shall be deemed to have made a Margin call warning if we notify you electronically via the Company online facility. We shall not be liable for any failure by us to contact you or attempt to contact you. Should we decide to make a Margin call warning, the terms and conditions of the Margin call warning will be detailed within the Margin call warning and we reserve the right to change the terms and conditions of any Margin call warning based on market conditions, without notice to you. If we make a Margin call warning, in no way does this waive our right to liquidate your margined transactions as detailed in Section 8.6 above.
- 8.9** Any payment made by or on your behalf in satisfaction of a Margin call warning must be received by us within the time specified within the Margin call warning. We may in our sole and absolute discretion close or terminate your margined transactions without notice to you immediately and decline to enter into any further margined transactions with you if you fail to honor any Margin call warning and this shall constitute an Event of Default and we may exercise our rights in Section 18 below.
- 8.10** We may, in the absence of formal arrangements to the contrary, close your margined transaction if a Margin call warning remains unsatisfied for more than twenty four (24) hours.
- 8.11** Title in and ownership of a portion or all of the funds you deposit with the Company shall be transferred to the Company to the extent it represents an amount necessary to secure your open positions or cover your actual or future contingent or prospective obligations (which will be calculated daily in the Company sole and absolute discretion based on your daily open positions and trading and which may be greater than the Margin required to maintain your open positions, as market conditions may dictate) such that you will not have a proprietary claim over that portion or any of your funds deposited and the Company can deal with it on its own right. When funds received by the Company from you are no longer required to secure your open positions or cover your actual or future contingent or prospective obligations to the Company, full title and ownership of the funds will be transferred back to you.
- 8.12** As a continuing security for the performance of all your obligations (whether actual or contingent, present or future) to us under or pursuant to the Contractual Documentation ("**Secured Obligations**") you grant to us, with full title guarantee, a first fixed security interest in all non-cash Margin now or in the future provided by you to us or to our order or under our direction or control or that of an exchange or market or otherwise standing to the credit of your account under the Contractual Documentation or otherwise held by us or our affiliated companies or our nominees on your behalf.
- 8.13** You agree to execute such further documents and to take such further steps as we may reasonably require to perfect our security interest over, be registered as owner of or obtain legal title to the Margin, secure further the Secured Obligations, enable us to exercise our rights, or to satisfy any market requirement.

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- 8.14** You may not withdraw or substitute any property subject to our security interest without our consent, which we may grant or withhold in our sole and absolute discretion.
- 8.15** You undertake neither to create nor to have outstanding any security interest whatsoever over, nor to agree to assign or transfer, any of the Margin transferred to us, except a lien routinely imposed on all securities in a clearing system in which such securities may be held.
- 8.16** We may, free of any adverse interest of yours or any other person, grant a security interest over Margin provided by you to cover any of our obligations to an intermediate broker market or exchange, including obligations owed by virtue of the positions held by us or another of our clients.
- 8.17** If an Event of Default occurs, we may exercise the power to sell all or any part of the Margin. We may apply the proceeds of sale or other disposal in paying the costs of such sale or other disposal and in or towards satisfaction of the Secured Obligations.
- 8.18** In addition and without prejudice to any rights that we may be entitled under the Contractual Documentation or any and all Applicable Regulations, we shall have a general lien on all property held by us or our affiliates or our nominees on your behalf until the satisfaction of the Secured Obligations.
- 8.19** Any action taken by us in connection with or pursuant to a margined transaction by us at a time at which any Event of Default has occurred (whether or not we have knowledge thereof) shall be entirely without prejudice to our right to refuse any further performance thereafter, and shall not in any circumstances be considered as a waiver of that right or as a waiver of any other rights of ours should any such Event of Default have occurred.

## 9. SECURITY

- 9.1** All funds, securities, commodities, currencies, and other property belonging to you that we or our affiliates may at any time be holding for you (either individually, jointly with another, or as a guarantor of the account of any other person) or that may at any time be in our or its possession or control or carried on our or its books for any purpose, including safekeeping, are to be held by us as security and subject to a general lien and right of set-off for any of your liabilities to us under the Contractual Documentation whether or not we have made advances in connection with such funds, securities, commodities, currencies or other property, and irrespective of the number of accounts you may have with us. We may, in our sole and absolute discretion and without notice to you, apply and/or transfer any or all funds or other property belonging to you between any of your accounts with us.
- 9.2** Without prejudice to any other rights to which we may be entitled, we may at any time and without notice to you set off any amounts (whether actual or contingent, present or future) at any time owing between you and us. Furthermore, as a continuing security for the performance of all your Secured Obligations, you grant to us, with full title guarantee, a first fixed security interest in all funds, securities, commodities, currencies and other property now or in the future provided by you to us or to our order or under our direction or control or otherwise standing to the credit of your account under this Agreement or otherwise held by us or our affiliated companies or our nominees on your behalf. You agree that we shall be able to apply such funds, securities, commodities, currencies and other property in or towards satisfaction of all or any part of the Secured Obligations that are due and payable to us but unpaid.

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**9.3** You hereby represent that any funds, securities, commodities, currencies and other property that you transfer to us security under this Agreement are free from any lien, security interest or other encumbrance other than the lien created under this Agreement. You hereby also grant to us the right to pledge, re-pledge, hypothecate, invest or loan, either separately or with the property of other clients, to ourselves as broker or to others, any funds, securities, commodities, currencies and other property belonging to you which is held by us as margin or security.

## **10. ROLLOVER AND OFFSET INSTRUCTIONS, SPECIFICATION TABLES AND SWAP TABLES**

- 10.1** We will automatically rollover all open positions on your account to the following Business Day after 6 p.m. Eastern Time. You will be responsible for any debit or credits to your account subject to current market rates. We may charge you a fee in respect of each such position that is rolled over. There may be deviations from the standard rollover rule due to e.g. public holidays on the market to which the transaction relates.
- 10.2** In the absence of timely instructions from you, we are authorized, at our sole and absolute discretion, to rollover or offset all or any portion of the currency positions in your accounts or to make or receive delivery on your behalf upon such terms and by such methods deemed reasonable by us in our sole and absolute discretion.
- 10.3** For the avoidance of doubt, we will not arrange delivery of currencies unless we deem necessary pursuant to Section 10.2 above or if we otherwise agree in writing with you and, accordingly, unless such arrangements have been made by us any currency positions that settle shall do so by credit or debit to your account with us.
- 10.4** We will provide you with document revealing description of detailed conditions on which Trades are executed with reference to individual contracts for difference transactions, containing in particular the Spread level and Lot nominal value for individual contracts as well as all prices, commissions, fees and other important information relating to the contracts we offer ("**Specification Tables**").
- 10.5** When setting prices we reserve the right to add the Spread of the underlying instrument to the price, in particular in the case of an event outside our control and/or a market disruption event. We have the right to vary Spreads.
- 10.6** We will provide you with a list of swap points rates ("**Swap Points Table**").
- 10.7** If by the end of the Trading Day or, in case of contracts based on futures contract - by the end of the rollover date, Client's open position is not closed, it shall be automatically prolonged and the swap points shall be calculated that correspond to the value and the type of an open position.
- 10.8** The value of swap points which may be credited or debited to your account will be calculated as the result of the number of lots opened by you and swap points rates for a particular contract.
- 10.9** We usually update swap points rates once a week. However, in the event of significant changes of interest rates for deposits and loans on the Interbank Market, we reserve the right to change the Swap Points Table more frequently.

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## 11. CLIENT FUNDS

**11.1** The Company is not an authorized credit institution licensed to conduct deposit business. Your funds will not be held by us as banker and not as a trustee or agent and we will not be required to place your funds in a segregated client account. As a result, your funds may be used in the course of our business and you will rank as one of our general creditors in relation thereto.

## 12. FEES AND CHARGES

**12.1** You shall pay to the Company all charges which are related to executing transactions on your account and maintaining open positions. These will include charges in respect of automatic rollover of your positions. All trading related costs are communicated to the clients before they start trading and they are subject to change only upon prior notice.

**12.2** We may pay or receive fees, commissions, or non-monetary benefits to or from our affiliates or other third parties where permitted. In particular we may pay a fee or commission to any third party who introduces your business to us. We are not required to provide a separate disclosure of the essential arrangements related to any such fee or commission.

**12.3** All fees and charges are due and payable immediately. Any sums due to us pursuant to the Contractual Documentation may be deducted by us from the proceeds of any transaction or debited from your account with us.

**12.4** You shall pay a transfer fee, as determined by us, if you instruct us to transfer open positions, funds, and/or property relating to your account to another institution.

**12.5** The Company will charge and collect a commission of in the amount set out Schedule no. 1 to this Terms & Conditions.

**12.6** USD 1000 is the minimum monthly fee ("**Minimum Fee**") and it will be deducted from your account every month. The Company will net Minimum Fee with the total value of commissions generated in a given month.

## 13. CURRENCY FLUCTUATIONS

**13.1** If you enter into any transaction based on currency:

- (a) any profit or loss arising from fluctuations in the exchange rate affecting such currency will be entirely for your account and risk;
- (b) all initial and subsequent deposits for margin purposes shall be made in the currency of your account, in such amounts as we may in our sole and absolute discretion require; and
- (c) we are authorized to convert funds in your account for margin into and from such foreign currency at a rate of exchange determined solely by us on the basis of the then prevailing money market rates. In such

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circumstances, we will not be liable to you for any loss suffered by you or any third party as a result of such action (although, we will use reasonable endeavors to only convert such funds as may reasonably be required to cover the position in respect of the relevant transaction).

- 13.2** If we receive or recover any amount in respect of any of your obligations in a currency other than that in which such amount was payable, whether pursuant to a judgment of any court or otherwise, you will indemnify us and hold us harmless from and against any cost (including costs of conversion) in particular attorneys' costs and loss suffered by us as a result of receiving such amount in a currency other than the currency in which it was due.

#### **14. CONFLICTS OF INTEREST**

- 14.1** The Company and its affiliates provide services in respect of a wide range of investment related activities to many different clients, some of which we or another affiliated entity may have an interest, relationship or arrangement that is material in relation to a transaction effected with or for you (or the investment that is the subject of the transaction) or that could give rise to a conflict of interest.
- 14.2** We shall not be obliged to disclose to you or take into consideration any fact, matter or finding that might involve a breach of duty or confidence to any other person, or that comes to the notice of any of our directors, officers, employees or agents but does not come to the actual notice of the individual or individuals dealing with you.
- 14.3** We may be active trader on the market you trade, so it may be that we are trading as a party of your transactions and/or similar transactions. Our trading activity, as described, is separate from the services we provide to you, which inherently do not involve being the counterparty to a transaction with you.
- 14.4** The Client, despite the existence of conflicts of interest, confirms willingness to enter into the Agreement.

#### **15. LIABILITY AND INDEMNITY**

- 15.1** The On-Line Facility is provided "as is" and neither we nor any of our Service Providers makes any representations or warranties of any kind whatsoever regarding (i) the availability, currency, accuracy or completeness of the On-Line Facility, (ii) the results to be obtained by you or anyone else from the use of the On-Line Facility, and (iii) any third party content accessible on or through the On-Line Facility. Neither we, our affiliates, nor any of our or their directors, officers, employees and agents shall be liable for any loss or damage (including direct, indirect or consequential loss or loss of profits) suffered by you or any third party in connection with the provision of any services to which the Contractual Documentations applies except to the extent that such loss or damage results directly from our or their fraud, gross negligence or willful misconduct.
- 15.2** We shall not be responsible for any loss or damage caused, directly or indirectly, by any events, actions or omissions beyond our control including, without limitation, loss or damage resulting, directly or indirectly, from any delays or inaccuracies in the transmission of orders and/or information due to a breakdown in, delay or failure of any transmission, communication or computing facilities.

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- 15.3** Should quoting, execution or other errors occur, which may include, but are not limited to, a dealer's mistype of a quote, a quote or trade that is not representative of fair market prices, an erroneous price quote from a trader, such as but not limited to a wrong big figure quote or an erroneous quote due to failure of hardware, software or communication lines or systems and/or inaccurate data feeds provided by us or third-party vendors, we will not be liable for the resulting errors in account balances or trading losses. The foregoing list is not meant to be exhaustive. In the event of a quoting or execution error, we reserve the right to make the necessary corrections or adjustments on the account involved. Any dispute arising from such quoting, execution or other errors will be resolved by us in our sole and absolute discretion.
- 15.4** We reserve the right to refuse, void or amend any transaction involving or deriving from a Manifest Error. Any amendment of such a transaction will reflect what we consider in our sole discretion, acting in good faith, to be the correct or fair details of such a transaction absent such Manifest Error. In particular but not limited to we are entitled to amend the price of an executed transaction. In the event of a Manifest Error, we may take into account all information in its possession including information concerning the expertise of your and the market conditions that prevailed at the time of such error. When making a determination as to whether a situation amounts to a Manifest Error, we will act fairly towards you and you must equally not gain any unfair advantage by such Manifest Error. The fact that you may have entered into, or refrained from entering into, a corresponding financial commitment, contract or trade in reliance on a transaction placed on your account is deemed irrelevant as a factor and shall not be taken into account by us in determining whether a situation amounts to a Manifest Error.
- 15.5** "**Manifest Error**" means any error, omission or misquote, (including any misquote by the dealer) which by our fault or fault of any third party is manifest when taking into account the market conditions and available quotes that prevailed at the time. This may include, wrong price, market or any error or lack of clarity of any information, source, commentator, official result or pronunciation. Internet connectivity delays and price feed errors sometimes create a situation where the prices displayed on the trading platform or liquidity connection do not accurately reflect the market rates. We do not permit the practice of latency arbitrage or taking advantage of these internet delays. Transactions that rely on price latency arbitrage opportunities may be revoked. We reserve the right to make the necessary corrections or adjustments on the account involved in our sole and absolute discretion.
- 15.6** The Company, in connection with the occurrence of the Manifest Error and the implementation of the correction process, will contact the Client only. The Company is not responsible for contact with its Client's customers. The Client is responsible for ongoing contact with his customers and not indicating the Company as the entity responsible for contact with them, including providing contact details of the Company. The Client is obliged to fully, timely and in accordance with the Applicable Regulations resolve all objections, claims and complaints submitted to him by his customers.
- 15.7** We shall have no obligation to contact you to advise upon appropriate action in light of changes in market conditions or otherwise. The foreign exchange market is highly speculative and volatile. Following execution of any transaction, you are solely responsible for making and maintaining contact with us for the purpose of monitoring the position and ensuring that any further instructions are given on a timely basis. We shall not be responsible for any loss caused directly, indirectly, actually or alleged as a result of any inability or failure by you to do so.

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- 15.8** You acknowledge that (i) any market information or third party recommendations communicated to you by or through us or any affiliate, is not based on any assessment of your financial position or investment objectives and does not constitute advice or an offer to sell or the solicitation of an offer to buy any rolling spot foreign exchange contract, (ii) such information or recommendations, although based upon information obtained from sources believed by us to be reliable, may be based solely or partly on a third party's opinion and that such information may be incomplete and may be unverified, and (iii) we make no representation, warranty or guarantee as to, and shall not be responsible for, the accuracy or completeness of any information or recommendations furnished to you. You acknowledge that we make no representations concerning the tax implications or treatment of transactions entered into by you.
- 15.9** You agree to indemnify and hold us, our affiliates, our Service Providers, and any of our or their directors, officers, employees and agents harmless from and against any and all liabilities, losses, damages, costs and expenses, including legal fees and costs, incurred by us in connection with the provision of our services to you provided that any such liabilities, losses, damages, costs and expenses have not arisen for our fraud, gross negligence or willful misconduct.
- 15.10** Except for the foregoing express warranties set forth section 15.1 above, the Company, its employees, agents, affiliates, subsidiaries, resellers, third party information providers, merchants, licensors and the like make no warranties or promises, either express or implied, including without limitation:
- (a) any implied warranty of merchantability, fitness for a particular purpose, correspondence with description, or arising by statute, law, course of dealing, custom and practice or trade usage; or
  - (b) as to the results that might be obtained by using the on-line facility, or as to the accuracy or reliability of any information contained or provided through the on-line facility, including loss of data, regardless of cause.
- 15.11** The Company and its affiliates are not liable for incidental, special, consequential, indirect or punitive damages for any reason (including loss of data or other business or property damage), even if Client has advised of such a claim. The aggregate liability of the Company and its affiliates shall not exceed the fees that Client has paid under the Contractual Documentation during the thirty (30) days immediately preceding the date on which Client first asserts the applicable claim. Client agrees that the pricing for the service would be substantially higher but for these limitations.
- 15.12** Quotes available on the platform may be quotes created by the Company as data processed on the basis of market information publicly available and information from quote sources (third parties that provide the Company with information regarding prices available on the market at a given time). Quotes available on the platform may also be quotes directly from quote sources.
- 15.13** If the Company has reasonable doubts that the Client is engaging in abusive trading, is entering into bad faith transactions aimed at taking advantage of incorrect quotes, is committing arbitrage, is taking advantage of price deviations in connection with corporate actions that affect a stock or an equity index, is carrying out sniping, scalping, pip-hunting, or uses investment strategies inconsistent with the principle of equality of parties aimed at taking technological or informational advantage, the Company reserves the rights described in point 15.6 below.
- 15.14** Price quotations on the platform may contain errors regarding the price level that existed on the market at the time of execution of the Client's order. Such incorrect quotes occur for reasons for which the Company is not

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responsible. The Company makes every effort to ensure that such situations occur as rarely as possible, but due to the unpredictability of such events, the Client must take into account that such events are possible even when cooperating with reputable entities.

**15.15** In some circumstances, the quotations available on the platform may contain errors due to the reduction or loss of liquidity in the relevant market, the occurrence of extraordinary price fluctuations, the cancellation of transactions on the organized market on which the underlying instrument is quoted, the occurrence of other exceptional circumstances or the occurrence of technical errors in scope of data transmission affecting the deviation from market prices applicable at a given time.

**15.16** The Company has the following rights in connection with the detection of incorrect quotes:

(a) change in the transaction price at which the transaction was concluded (whereas a change in the transaction price is also considered to be the posting on the account reflecting such a price change);

(b) cancel of the concluded transaction, however, in the event of cancellation of the transaction closing an open position, this position will be reopened (if the withdrawal from the transaction takes place on the same day as the conclusion of the transaction) or by adjusting the balance on the account (if the withdrawal takes place on the next day as concluding a transaction), which involves the risk of greater losses for the Client or triggering the "stop out" mechanism. The Company does not guarantee that as a result of cancellation of the transaction closing the position, there will be no negative balance (debit) on the Client's account as a result of settlement at market prices.

(c) canceling transactions concluded using funds from the transactions that were canceled - if the Client would not have sufficient funds on the account to conclude the transaction if it were not for the funds from the transactions that were canceled.

**15.17** A change in the transaction price at which the transaction was concluded has the effect that the transaction is deemed to have been concluded at the changed price.

**15.18** Cancel of the concluded transaction has the effect that the transaction is considered to have failed. At the same time, in the event of cancellation of the concluded transaction, the Parties have the right to cancel pending orders.

**15.19** The right to cancel the transaction does not exclude contractual liability.

**15.20** If the Company determines that the Client has concluded several transactions based on incorrect quotes or other conditions indicated in point 15.13 above, the Company reserves the right to terminate the Agreement with immediate effect.

## **16. REPRESENTATIONS AND WARRANTIES**

**16.1** You represent, warrant and undertake that during the Term:

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- (a) you are an entity properly organized, validly existing and in good standing in the jurisdiction identified in the KYC Form, is qualified to do business in such other jurisdictions as the nature of its business activities and properties therein may require and are applying for brokerage services for institutional trading only;
- (b) no person other than you has or will have an interest in your account(s);
- (c) you shall use the services for its lawful business purposes only and solely for yourself;
- (d) you shall not use the services in a manner which may bring the Company or the Company' business, markets or interests into disrepute or breach any Applicable Regulations;
- (e) you shall not use or permit the use of the services for any illegal purpose;
- (f) you shall not participate in any illegal, deceptive, misleading, or unethical practices;
- (g) you shall not infringe any Intellectual Property Rights of the Company;
- (h) you do not and will not direct your investment, trading services to any clients who are citizens or residents of the United States of America;
- (i) you have read and understand the risk disclosure statements and the High Risk Investment Notice attached hereto as Schedule no. 2;
- (j) trading rolling spot foreign exchange is suitable for you and that you are aware of the risks involved with such transactions;
- (k) you have right and power to enter into and perform its duties under the Contractual Documentation;
- (l) you have taken all requisite corporate action to authorize the execution, delivery and performance of the Contractual Documentation and the transactions contemplated herein;
- (m) the Contractual Documentation has been duly authorized, executed and delivered by the Parties and is binding upon and enforceable against it in accordance with the terms hereof;
- (n) neither the execution, delivery or performance of the Contractual Documentation by nor the consummation of any transaction contemplated otherwise, conflict with, result in a breach of, or constitute a default under or violate, as the case may be: (i) the documents provided to us; (ii) any foreign, federal, state or local law, statute, ordinance, rule or regulation; (iii) any court or administrative order or process, or (iv) any contract, agreement, arrangement, commitment or plan of Client to which or by which Client may be bound;
- (o) you are and at all times during the term hereof appropriately registered, or exempt from registration, in accordance with any local rules and regulations;
- (p) you shall keep confidential any information such party may acquire as the result of the Contractual Documentation regarding the business and affairs of the Company, and shall make available to third parties only such agreements, documents and papers supplied by the Company as may be authorized prior by the Company in writing or pursuant to any order, subpoena or other process of a court or regulatory body of

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competent jurisdiction. You shall give the Company prompt notice of the receipt by such party of any such order, subpoena or other process;

- (q) you have executed appropriate agreements concluded directly with authorized third parties (stock exchanges) for the use of market data (if they are used in your business);
- (r) you acknowledge that the Company does not provide any service or product that may be used to avoid or circumvent any laws, rules, or regulation in any country or territory. The Company will not be held responsible if any of its clients do so. Furthermore, the Company will not be responsible for any levies, fines, or enforcement actions resulting from these infringements;
- (s) you acknowledges that it is your sole responsibility to conduct business legally and appropriately and that it is your's duty to hire proper legal, compliance and other professional counsel if and where required. You shall comply with all Applicable Regulations and any legal provisions relating to your business activities. You hereby warrant that, in relation to Contractual Documentation, you shall comply with all AML/CFT obligations and you shall be solely responsible for performing all AML/CFT checks of your clients;
- (t) you have relevant license agreements executed with third parties, [authorized to distribute market data (any market prices, volumes and other information related to financial instruments or base instruments), hereinafter „Market Data“], such as stock exchanges, and in force, allowing you to use Market Data as part of your business activity, the scope of which covers all Market Data to which you also have access as part of implementation of the Contractual Documentation;
- (u) the above-mentioned agreements with authorized third parties are the legal basis for your use of the Market Data and the Contractual Documentation is not treated by you as a legal basis for the use of the Market Data;
- (v) you acknowledge and accept that the Market Data from us is available to you only as indicative prices for hedging purposes for you in connection with the Contractual Documentation;
- (w) you will not distribute, communicate or otherwise furnish, or permit to be communicated or otherwise furnished, the Market Data from us, in any format, to any other party;
- (x) you shall not create or distribute, or permit to make or distribute, derived data or other derivative works based upon the Market Data from us;
- (y) you shall use commercially reasonable efforts to prevent any person or entity from obtaining the Market Data from us through its equipment or facilities, except as authorized hereunder, this includes also use, disclose, distribute, make available, sell, copy, display, assign, transfer, sublicense, lease, furnish, lend, republish, transmit, distribute, alter, modify, adapt, translate, disassemble, decompile, prepare or create derived data or derivative works, or reverse engineer, in any way;
- (z) you are not engaged in the business of unlawful distributing Market Data;
- (aa) you shall not use the Market Data from us in a manner which may bring us or our business, markets or interests into disrepute or breach any applicable laws or regulations;
- (bb) you shall not use or permit the use of the Market Data from us for any illegal purpose;

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- (cc) you shall not participate in any illegal, deceptive, misleading or unethical practices including, but not limited to, disparagement of the Market Data or other practices which may be detrimental to the Market Data, us or the public interest;
  - (dd) you shall not reproduce, sub-license or re-transmit the Market Data from us or any part of the data provided by us in any form;
  - (ee) you shall not permit or authorize the modification, translation into other languages, create derivative products or services, reverse-engineer, decrypt, disassemble or decompile any software provided as part of the Market Data, nor permit any third party to do so;
  - (ff) you shall comply with all applicable regulations and any legal provisions relating to your activities and use of the Market Data. You hereby agree and acknowledge that, without limitation, any breach of this clause shall constitute a material breach of the Agreement;
  - (gg) you shall indemnify in full and hold harmless us and our directors and personnel from and against any and all losses, costs, damages, charges or expenses (including legal expenses) suffered or incurred by us in connection with the Contractual Documentation in respect of any claim connected with the Market Data and brought by any third party, whether or not successful, compromised or settled in any jurisdiction arising in connection with the Contractual Documentation; and
  - (hh) you shall comply all times with all rules and restrictions in respect to the Market Data as imposed by any entities authorized to do so.
- 16.2** You represent and warrant that the information disclosed to us in the Contractual Documentation is true, accurate and complete in all material respects. You are obliged to immediately inform the Company of any changes to the data and documents indicated in the Application Form (Agreement) and KYC Form, no later than 5 Business Days from their occurrence, so that they are always up to date. The Client bears the negative consequences of not informing the Company about the above changes. The Company is entitled to periodic reviews of the Client from time to time, which will require the Client to provide required documentation without undue delay. In the event of a material corporate change (e.g. mergers and acquisitions), the Company shall be notified before their occurrence, with a minimum of 5 Business Days.

## **17. CONFIDENTIALITY AND DATA PROTECTION**

- 17.1** You shall not disclose any information in particular but not limited to confidential information such personal data of your clients to us.
- 17.2** You hereby undertake to prevent your clients from disclosing their personal data to us.
- 17.3** We or a Service Provider may record or monitor telephone conversations and email correspondence between you and us for security, compliance with the law, training purposes and to maintain and improve the quality of our services, to which you hereby consent.
- 17.4** We may use cookies or IP address tracking devices on the On-Line Facility to administer the On-Line Facility, store password and usernames, to monitor visits to pages on the On-Line Facility, to personalize the On-Line Facility

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service to you and to track and facilitate browsing through the On-Line Facility. A cookie is a piece of data stored on your computer containing information about you relating to the use of the On-Line Facility. You acknowledge that you understand the broad nature of cookies and IP address tracking devices and the purposes for which they will be used by us.

- 17.5** You acknowledge and accept that any services provided through this On-Line Facility involve transmissions over the internet and that such transmissions are therefore subject to the internet's inherent risks. Although we take reasonable security precautions, you also acknowledge and accept that, as with any network, you may also be exposed to unauthorized programs transmitted by third parties, electronic trespassing and/or the failure of information and data to reach their intended destinations and/or erroneous receipt or misdirection of such information. Although our and our suppliers' privacy and security features are designed to reduce these risks, we cannot guarantee their elimination. Thus, no transmission via the On-Line Facility shall be guaranteed to be confidential. We shall not be liable for any breach of confidence arising as a result of such an event.
- 17.6** The Company may collect performance related data or aggregate data via its systems for analytical and statistical purposes and in order to improve services.
- 17.7** Information on the rules of personal data processing by the Company are available on the Company website and the Client confirms that has reviewed them and accepts them.
- 17.8** The Client shall indemnify the Company against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect, or consequential losses, loss of profit, loss of reputation, loss of goodwill and all interest, penalties and legal costs and all suffered or incurred by the Client arising out of or in connection with any data breach).
- 17.9** Each Party shall treat as confidential all commercially sensitive or confidential information relating to the other Party obtained as a result of entering into or performing the Agreement or which relates to the provisions or existence of the Contractual Documentation, including, without limitation any operational or technical data, know-how or other information, business plans, discoveries, designs, financial information, sales data ("**Confidential Information**"). Subject to clauses 17.10 and 17.11 below, each Party shall not without the prior written consent of the other Party use or disclose any Confidential Information.
- 17.10** Either Party may disclose Confidential Information:
- a) to the other Party in accordance with this Contractual Documentation;
  - b) if and to the extent required by law or regulation applicable to this Party;
  - c) if and to the extent required by any securities exchange or regulatory or governmental body to which that Party is subject or submits;
  - d) to its professional advisers and auditors (provided that the disclosing Party shall ensure that those persons to whom it discloses such information shall comply with the terms of this clause); or
  - e) if and to the extent the information has come into the public domain through no fault of that Party.
- 17.11** The Company may disclose Confidential Information if reasonably required for the protection of the Company rights or collection of payments in connection with any legal proceedings.

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## 18. EVENT OF DEFAULT

18.1 An “Event of Default” shall occur if at any time:

- (a) you fail to comply fully and immediately with any obligation to make any payment or to make or take delivery of any property when due to or required by us;
- (b) you default in any other obligation or commit any breach of any other obligations under this Agreement (including any transaction governed by this Agreement), including but not limited to, any call for margin;
- (c) any representation or warranty made by you was or has become or subsequently would if repeated at any time be incorrect;
- (d) due to market fluctuations or for any other reason we shall in our sole and absolute discretion consider that we hold insufficient margin or determine that any security held by us to protect one or more of your account(s) is inadequate regardless of current market quotations;
- (e) we, acting in our sole and absolute discretion, determine that there is or has been an adverse change in the creditworthiness of any party providing a guarantee and/or indemnity in respect of your obligations under the Contractual Documentation;
- (f) we consider it necessary or desirable to prevent what we consider is or might be a violation of any applicable laws or regulations or good standard of market practice;
- (g) you commence a voluntary case or other procedure seeking or proposing liquidation, reorganization, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any other law with potential application to you, if insolvent), or seeking the appointment of a trustee, receiver, liquidator, conservator, administrator, custodian or other similar official (each an “**Insolvency Officer**”) of you or any substantial part of your assets; or if you take any action to authorize any of the foregoing;
- (h) an involuntary case or other procedure is commenced against you seeking or proposing liquidation, reorganization, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any other law with potential application to you, if insolvent) or seeking the appointment of an Insolvency Officer of you or any substantial part of your assets;
- (i) you are dissolved, or, if your capacity or existence is dependent upon a record in a formal register, the registration is removed or ends, or any procedures are commenced seeking or proposing your dissolution, removal from such a register, or the ending of such a registration;
- (j) any credit support provider fails to comply with or perform any agreement or obligation to be complied with or performed by you or it in accordance with the applicable credit support document;
- (k) any credit support document expires or ceases to be in full force and effect prior to the satisfaction of all your obligations under the Contractual Documentation, unless otherwise agreed in writing by us;

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- (l) any representation or warranty made or given or deemed made or given by any credit support provider pursuant to any credit support document proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given or any event referred to in this Section 19.1 occurs in respect of any credit support provider; or
  - (m) where you or your credit support provider is a partnership, any of the events referred to in this Section 18.1 occurs in respect of one or more of your or its partners.
- 18.2** Subject to Section 18.3 below, at any time following the occurrence of an Event of Default, we may, by notice to you, specify a day on which we will commence the termination and liquidation of transactions (the "**Liquidation Date**").
- 18.3** Unless we specify otherwise, the date of the occurrence of any Event of Default shall automatically constitute a Liquidation Date ("**Automatic Termination**"), without the need for any notice by us and the provisions of Section 18.4 below shall then apply.
- 18.4** Upon the occurrence of a Liquidation Date:
  - (a) we shall not be obliged to make any further payments or deliveries under any transactions that would, but for this Section 18, have fallen due for performance on or after the Liquidation Date and such obligations shall be satisfied by settlement (whether by payment, set-off or otherwise) of the Liquidation Amount (as defined in Section 18.4(c) below);
  - (b) we shall (on, or as soon as reasonably practicable after, the Liquidation Date) determine (discounting if appropriate), in respect of each transaction or group of transactions referred to in Section 18.4 (a) above, its total cost, loss or, as the case may be, gain, in each case expressed in the currency specified by us ("**Base Currency**") and, if appropriate, including any loss of bargain, cost of funding or, without duplication, cost, loss or, as the case may be, gain as a result of the termination, liquidation, obtaining, performing or re-establishing of any hedge or related trading position as a result of the termination, pursuant to this Agreement, of each such transaction, including losses and costs (or gains) in respect of any payment or delivery required to be made under such transaction (assuming satisfaction of each applicable condition precedent) on or before the Liquidation Date and not made; and
  - (c) we shall treat each cost or loss to us, determined as above, as a positive amount and each gain by us, so determined, as a negative amount and aggregate all of such amounts to produce a single, net positive or negative amount, denominated in the Base Currency (the "**Liquidation Amount**").
- 18.5** If the Liquidation Amount determined pursuant to Section 18.4 above is a positive amount, you shall pay it to us and if it is a negative amount, we shall pay it to you. We shall notify you of the Liquidation Amount, and by whom it is payable, promptly after the calculation of such amount.
- 18.6** The Liquidation Amount shall be paid in the Base Currency by the close of business on the Business Day following the completion of the termination and liquidation under Section 18.4 above [converted as required by applicable law into any other currency, any costs of such conversion to be borne by you, and (if applicable) deducted from any payment to you]. Any Liquidation Amount not paid on the due date shall be treated as an unpaid amount and bear interest, at the rate of one tenth of a percent (0.1%) per day or as otherwise may be reasonably

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determined by us to be the cost of funding such overdue amount (or such lesser amount as may be permitted by applicable law). Interest will accrue on a daily basis and will be due and payable by you as a separate debt.

- 18.7** For the purposes of any calculation hereunder, we may convert amounts denominated in any other currency into the Base Currency at such rate prevailing at the time of the calculation as we shall reasonably select.
- 18.8** Unless a Liquidation Date has occurred or has been effectively set, we shall not be obliged to make any payment or delivery scheduled to be made by us under a transaction for as long as an Event of Default or a potential Event of Default with respect to you has occurred and is continuing.
- 18.9** Our rights under this Section 18 are in addition to, and not in limitation or exclusion of, any other rights that we may have under the Contractual Documentation or otherwise whether by agreement or operation of law. In particular and without prejudice to the provisions of Sections 18.2 - 18.8 above, we are authorized and entitled, without notification to you and in our sole and absolute discretion to take such action as we deem necessary, expedient or desirable, to protect our own position, including without limitation, one or more of the following actions (whether in whole or in part):
- (a) close out or give instructions to close out all or any of your open positions;
  - (b) perform, cancel or if applicable abandon any of your open positions;
  - (c) borrow, buy, sell, mortgage, charge or otherwise dispose of any or all investments, monies or other assets that you may have requested us to enter into or hold with or for you or other property of any type held or carried for you (whether entered into or held as security for your obligations to us hereunder or otherwise) or purchase or borrow any or all investments or other assets;
  - (d) satisfy any obligation that you may have to us, either directly or by way of guarantee, out of any of your investments, monies or other assets in our custody or control; and
  - (e) cancel any or all outstanding orders or contracts or any other commitments made with or for you.
- 18.10** Any of the above actions in Section 18.9 may be taken without demand for margin or additional margin, and regardless of whether the relevant investments or transactions that we may have executed or arranged with, or for you, are solely yours or held jointly with others. In liquidating any long or short positions we may, at our sole and absolute discretion, sell or purchase in the same contract month or initiate new long or short positions in order to establish a spread or straddle that in our sole and absolute judgment is necessary or advisable to protect existing positions on your account. In all cases, a prior demand by us, or notice of the time and place of a sale or purchase, shall not constitute a waiver of our rights to sell or buy without demand or notice as herewith provided. You will at all times be liable for the payment of any debit balance on your account and you will be liable for any deficiency remaining on your account in the event of the liquidation thereof in whole or in part by you or us. If the proceeds realized pursuant to this authorization are insufficient for the payment of all liabilities due to us from you, you will promptly pay on demand the deficit and all unpaid liabilities together with overdue interest.

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## 19. INTELLECTUAL PROPERTY RIGHTS

- 19.1** The On-line Facility may incorporate third party data, text, images, software, multi-media materials and other content (“**Third Party Content**”) and references to the term “On-line Facility” shall be taken to include all materials, content and services made available from time to time on the On-line Facility whether viewed on screen or downloaded to another computer, including without limitation Third Party Content.
- 19.2** The On-line Facility is protected by copyright, database rights and other Intellectual Property Rights. We and/or third parties retain all right, title and interest in and to the On-line Facility. Use of the On-line Facility does not confer any ownership rights in the On-line Facility.
- 19.3** Except as otherwise specifically agreed in writing or to the extent necessary for you to view the On-line Facility in accordance with the Contractual Documentation, you shall not: (i) copy the On-line Facility in whole or in part (except to make backup copies solely for disaster recovery purposes); (ii) display, reproduce, create derivative works from, transmit, sell, distribute, rent, lease, sublicense, time-share, lend or transfer or in any way exploit the On-line Facility in whole or in part; (iii) embed the On-line Facility into other products; (iv) create function calls or other embedded links from any software program to the On-line Facility; (v) remove or obscure any copyright notice of the Company or any of its suppliers; (vi) use any trademarks, service marks, domain names, logos, or other identifiers of the Company or any of its third party suppliers or (vii) except to the extent permitted under by law, reverse engineer, decompile, disassemble, or access the source code of the On-line Facility.

## 20. LINKS

- 20.1** The On-line Facility may contain links to other websites that are not controlled by us or any Service Providers and contain material produced by independent third parties. The owners of such linked websites do not necessarily have any relationship, commercial or otherwise, with us. The existence of a link from the On-line Facility to any third party website does not constitute a recommendation or other approval by us or any Service Provider of such website, its content or any provider thereof. Any opinions or recommendations expressed on third party websites are those of the relevant provider and are not the opinions or recommendations of ours or any Service Provider. Neither we nor any Service Provider accepts any responsibility for content provided on any website that may be accessed through links on the On-line Facility.

## 21. NOTICES

- 21.1** All notices, demands, and communications required or permitted under this Agreement shall be in an electronic form and will be effective if served upon such other party as specified below to the address set forth for it below (or to such other address as such party will have specified by notice in accordance with this Section 21 to each other party) if: (i) sent by e-mail and promptly followed by confirmation copy sent by any of the means provided in the preceding clause; (ii) served by us via our website upon its publication; (iii) served via an telephone or communicator upon its confirmation via an e-mail.

contact@fx-edge.com

If to you:

Phone: indicated in KYC Form

Email: indicated in KYC Form

If to us:

Phone: +1 949 407 7046

Attention: Support FX-Edge

Email: support@fx-edge.com

## 22. TERMINATION; NON-DISPARGEMENT; SURVIVAL

- 22.1** The Agreement shall remain in force from the Effective Date and shall continue for an indefinite period of time until terminated by either Party by serving at least one month (understood as the end of one full settlement period between the Parties) written notice on the other Party (“**Term**”).
- 22.2** Without prejudice to any other rights or remedies which we may have, either we may terminate this Agreement by notice in writing at any time and with immediate effect if:
- a) you commit a material or persistent breach of any of the terms of the Contractual Documentation or is guilty of any conduct or omission which, in our the reasonable opinion, is prejudicial to our interests, and where such breach, conduct or omission is remediable, remains un-remedied five Business Days after receipt of notice from us requiring such remedy;
  - b) you fail to pay any amount due under the Contractual Documentation on the due date and remains in breach not less than 30 days from the date on which you was notified in writing to make such payment;
  - c) you commence a voluntary case or other procedure seeking or proposing liquidation, reorganization, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any other law with potential application to you, if insolvent) or seeking the appointment of an Insolvency Officer of you or any substantial part of your assets;
  - d) an involuntary case or other procedure is commenced against you seeking or proposing liquidation, reorganization, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any other law with potential application to you, if insolvent) or seeking the appointment of an Insolvency Officer of you or any substantial part of your assets; or
  - e) you fail to comply with any applicable laws and regulations, international and national export control and trade embargoes, anti-bribery laws and any environmental and safety laws and regulations applicable to you.
- 22.3** We may terminate this Agreement upon notice in writing to you at any time.
- 22.4** The Company shall not be liable to the Clients for damages of any kind that derive from the termination of the Agreement in accordance with the Contractual Documentation. The Client waives any rights it may have to receive any compensation or reparation for termination of the Agreement.
- 22.5** During the term of this Agreement and following termination thereof, you shall not initiate or make any statements or take actions that could reasonably be construed as critical or disparaging of the Company or its affiliates, or your experience arising out of your relationship with the Company. Violation of this Section 22.5

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shall result in immediate termination for cause. Termination shall not affect any transactions previously entered into and shall be without prejudice to any accrued rights and obligations of either you or us.

- 22.6** The Company reserves the right to suspend, at any time and at its sole discretion, the services (or certain functionalities) if:
- a) it reasonably considers the activities of the Client to be suspicious, unauthorised or fraudulent, including without limitation in relation to AML/CFT, fraud or any other illegal activities; or
  - b) at any time where it is required to do so under Applicable Regulations provided that the Company shall make reasonable efforts to inform the Client of any such suspension prior to implementation unless otherwise prohibited from doing so by Applicable Regulations.
- 22.7** The Company reserves the right to change or alter the Terms & Conditions including all the schedules by giving an advance notice to the Client (not shorter than 5 Business Days, unless the change is caused by the need to adapt to Applicable Regulations or was required by a competent public supervisory authority). The change will affect all existing transactions and dealings with the Client. The Client agrees that the above changes will be binding on him from the date of their entry into force in accordance with the notification received from the Company.
- 22.8** All provisions of the Contractual Documentation relating to risks, your liabilities and obligations, warranty disclaimers, limitations of liabilities, indemnification, confidentiality and data protection, netting, Intellectual Property Rights, notices, non-disparagement shall survive the termination of this Agreement for any reason.
- 22.9** On termination of the Agreement for any reason:
- a) the Client shall immediately pay to the Company all of the Company's outstanding unpaid amounts;
  - b) the accrued rights, obligations, liabilities and remedies of the Company as at termination shall not be affected, including any right to claim damages in respect of any breach of the Contractual Documentation which existed at or before the date of termination.

## 23. COMPLAINTS

- 23.1** If you have any complaint about our performance under the Contractual Documentation, you should direct that complaint to our client services department (telephone +1 949 407 7046), who will investigate the nature of the complaint to try to resolve it.
- 23.2** The Company will only consider complaints submitted directly by authorized entities on behalf of the Client. The Company is not going to consider complaints filed by its Client's customers.
- 23.3** The Client is obliged to fully, timely and in accordance with the Applicable Regulations resolve all objections, claims and complaints submitted to him by his customers.
- 23.4** The Client undertakes not to indicate the Company as the entity examining any objections, claims and complaints of its clients, including the contact details of the Company.

## 24. GENERAL

- 24.1** The provision of our services to you is subject to all applicable laws, regulations and other provisions or market practices to which we are subject (collectively, the "**Applicable Regulations**"). If any conflict arises between this Agreement and any Applicable Regulations, the latter shall prevail. We are not required to do anything or refrain from doing anything that would infringe any Applicable Regulations and may do whatever we consider necessary to comply with them.
- 24.2** The Contractual Documentation and all documents referred to herein constitute the entire agreement between the Parties and supersedes and extinguishes all previous drafts, agreements, arrangements and understandings between them, whether written or oral, relating to its subject matter.
- 24.3** Each Party agrees that it shall have no remedies in respect of any representation or warranty (whether made innocently or negligently) that is not set out in the Contractual Documentation. No Party shall have any claim for innocent or negligent misrepresentation based upon any statement in the Contractual Documentation.
- 24.4** The Contractual Documentation and the documents referred to in it embody the entire understanding and agreement between the Parties in connection with the subject matter of the Contractual Documentation and neither Party is relying on any representations, promises, terms, conditions or obligations, oral or written, expressed or implied other than those contained herein or discussed prior to the Effective Date.
- 24.5** The Agreement shall not be modified or amended except by agreement in writing by an authorised representative of each of the Parties. The Company shall have the rights indicated in clause 22.7 of this Terms & Conditions.
- 24.6** Nothing in the Contractual Documentation is intended to, or shall be deemed to, establish any partnership or joint venture between any of the Parties, constitute any Party the agent of another Party, nor authorise any party to make or enter into any commitments for or on behalf of any other Party.
- 24.7** Each Party shall execute or cause to be executed all documents and do or cause to be done all further acts and things consistent with the terms of the Contractual Documentation that the other Party may from time to time reasonably require in order to vest in and secure to such Party the full benefit of rights and benefits to be transferred or granted to them under the Contractual Documentation and for the protection and enforcement of the same and otherwise to give full effect to the terms of the Contractual Documentation.
- 24.8** No delay or failure to exercise any right or remedy on the part of the Company under the Contractual Documentation shall operate as a waiver of any such right or remedy.
- 24.9** No single or partial exercise of any right or remedy by the Company under the Contractual Documentation shall prevent any further or other exercise or the exercise of any other right or remedy under the Contractual Documentation.

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- 24.10** If any provision of the Contractual Documentation shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of the Contractual Documentation, which shall remain in full force and effect.
- 24.11** Any failure by us (whether continued or not) to insist upon strict compliance with any provision hereof shall not constitute nor be deemed to constitute a waiver by us of any of our rights or remedies. The rights and remedies conferred upon us hereby shall be cumulative and the exercise or waiver of any part thereof shall not preclude or inhibit the exercise of any other additional rights and remedies.
- 24.12** Without the prior written consent of the Company, the Client may not assign, transfer or sublicense the Client's rights, duties, or obligations under the Contractual Documentations, whether by operation of law, merger or otherwise, to any person or entity, in whole or in part. Any attempt to do so without first obtaining such prior written consent shall be void and of no force and effect.
- 24.13** No action, regardless of form, arising out of or in connection with the Contractual Documentation, or otherwise existing between the Parties, may be brought by a Party more than two (2) years after the cause of action is discovered. Discovery of action must be reported within two (2) years of termination of this Agreement.
- 24.14** We may record our telephone conversations with you and such recordings may be used as evidence in any dispute arising in connection with any transactions under the Contractual Documentation.
- 24.15** No person who is not a party to this Agreement may enforce any term of the Contractual Documentation.

## **25. GOVERNING LAW; JURISDICTION; NO JURIES; CONSTRUCTION**

- 25.1** The Contractual Documentation and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales, excluding any conflict-of-laws rule or principle that might refer the governance or the construction of the Contractual Documentation to the law to another jurisdiction.
- 25.2** Any disputes arising between the Parties shall be settled through negotiations between them. In the event of a dispute that cannot be resolved through the negotiations of the Parties, it shall be resolved in the manner by the law of England and Wales. The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Contractual Documentation or its subject matter or formation (including non-contractual disputes or claims).
- 25.3** Each Party waives its right to a trial by jury in connection with any such action or judicial proceeding.
- 25.4** The language of all parts of the Contractual Documentation shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against either Party. The language used in the Contractual Documentation is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against either Party.

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## 26. SECURE CONSUMER CONSENT DISCLOSURE

- 26.1** You authorize us and our agents to verify your identity and creditworthiness and in connection therewith, to contact such banks, financial institutions and credit agencies as we shall deem appropriate to verify such information. You further authorize us to investigate any current and past investment activity, and in connection therewith, to contact such futures commission merchants, exchanges, broker/dealers, banks, and compliance data centers as we shall deem appropriate. Upon reasonable request made in writing by you to us, we will allow you to review (and at your expense, copy) any records maintained by us relating to your credit standing.
- 26.2** Within one (1) Business Day of the receipt of your application, you will receive an email with an update on the status of your account. If we are unable to verify your identity, the email will include details on how to complete your application.

## 27. CONSENT TO ELECTRONIC SIGNATURE

- 27.1** By electronically signing the Application Form (Agreement) and related documents, you acknowledge receipt of these and related documents contained in our electronic account package and you agree to be bound by their terms and conditions therein. In addition, by signing the Application Form (Agreement) and related documents, you are consenting to our maintaining and receiving electronic records of your trades and accounts.

## 28. TAXES AND COLLECTION COSTS

- 28.1** All payments by Client to the Company under the Contractual Documentation for any fees due hereunder will be exclusive of any sales, use, service, value added or withholding taxes, or any other levy, tariff, duty or tax of any kind whatsoever imposed by any governmental authority with respect to the services rendered or expenses incurred by the Company hereunder (other than a tax imposed upon the Company income). The Client shall pay, within fifteen (15) days of receipt of the applicable the Company invoice(s), any such tax whenever such tax is imposed by a governmental authority.
- 28.2** The Client shall pay all expenses, including reasonable attorneys' fees and disbursements, reasonably incurred by the Company in endeavoring to collect any amounts payable hereunder that are not paid when due.

## 29. FORCE MAJEURE

- 29.1** Neither Party shall be in breach of the Contractual Documentation for failure to perform or delay in performing any or all of its obligations under the Contractual Documentation as a result of an event of force majeure ("**Event of Force Majeure**"). For the purposes of the Contractual Documentation, Event of Force Majeure shall include circumstances beyond a Party's reasonable control, including but not limited to fire, flood, epidemic, power failure, earthquake, elements of nature or acts of God, act of governmental body or military authority, wars, riots, civil disorders, labor disputes, blockades, embargoes, terrorist activities, civil insurrection, rebellions or revolutions or any other similar cause beyond the reasonable control of such Party, except to the extent that the non-performing Party is at fault in failing to prevent or causing such default or delay, and provided that such

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default or delay cannot, by commercially reasonable efforts of the non-performing Party, be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means.

- 29.2** Each of the Parties agrees that it shall immediately give written notice to the other Party if it becomes aware of any Event of Force Majeure, such notice shall contain details of the circumstances giving rise to the Event of Force Majeure and specify the period for which it is estimated that it will continue.
- 29.3** Immediately upon an Event of Force Majeure ceasing to have effect, the Party relying on it shall notify the other in writing and the operation of the Contractual Documentation shall continue.
- 29.4** If a breach of the Contractual Documentation is due to an Event of Force Majeure any continues for more than 12 (twelve) weeks, either Party shall be entitled to terminate this Agreement upon serving a written notice to the other.

**SCHEDULE No. 1 – ADDITIONAL CLIENT SPECIFIC INFORMATION**

<b>NOTIONAL DAILY CREDIT LIMIT:</b>	100 X COLLATERAL (FX&CFDs)  5 X COLLATERAL (CRYPTOCURRENCIES)  10 X COLLATERAL (EQUITIES)
<b>MINIMUM INITIAL DEPOSIT:</b>	USD 5000
<b>COMMISSION FOR EACH ONE MILLION OF USD TRADED (FX, CFDs):</b>	USD 10
<b>COMMISSIONS FOR CRYPTOCURRENCIES TRADING:</b>	% 0,04
<b>COMMISSIONS FOR EQUITIES TRADING:</b>	NO COMMISSION
<b>IF CLIENT IS CONNECTING VIA FIX API / MT4 / MT5 BRIDGE THEN BELOW MINIMUM MONTHLY FEE APPLIES:</b>  <b>USD 1000 STANDARD PACKAGE (WITHOUT CRYPTOCURRENCIES &amp; EQUITIES)</b>  <b>USD 2000 FULL PACKAGE</b>	
<b>SWAPS FOR ALL INSTRUMENTS ARE UPDATED ONCE PER WEEK.</b>	

## SCHEDULE NO. 2 – HIGH RISK INVESTMENT NOTICE

In addition to standard industry disclosures contained in the Contractual Documentation, you should be aware that contracts for difference trading is one of the riskiest forms of investment and is only suitable for institutions. Prices in margined currency trading and options are highly volatile. Further, an account with the Company permits you to trade foreign currencies on a highly leveraged basis (which may be up to approximately 100 times your account equity or as otherwise permitted by Applicable Regulation). For example, an initial deposit of USD 1 000 may enable you to take a maximum position with USD 100 000 notional market value. The funds in an account trading at maximum leverage can be completely lost if the position(s) held in the account has a two percent swing in value. Given the possibility of losing an entire investment, speculation in the foreign exchange market should only be conducted with risk capital funds that if lost will not significantly affect your personal or institution's financial wellbeing.

If you have pursued only conservative forms of investment in the past, you should study currency trading further before continuing an investment of this nature. You could lose all funds you deposit as initial margin as well as substantial amounts of capital when trading contracts for difference, if the market goes against your investment. You may also be liable for losses that exceed the amount of margin you post. If you wish to continue with your investment, you confirm that you are an institution enable to carry the risks specified above and the funds you have committed are purely risk capital and loss of your investment will not jeopardize your budget. Additionally, you fully understand the nature and risks of contracts for difference investments, and your obligations to others will not be neglected should you suffer investment losses. We do not accept natural person as clients or other entities acting on behalf of the natural persons.

### SCHEDULE NO. 3 – CLIENT'S ACCOUNT CHARACTERISTICS

1. **BALANCE** - it is a total sum of funds which is available on the account. Balance is a sum of all deposits and withdrawals plus total value of closed positions made on the account.
2. **EQUITY** - equity is a sum of balance and valuation of all open positions. Equity can be greater or smaller than balance, depending on the valuation of open positions.
3. **CREDIT** - credit is non-withdrawable amount of funds, which is put on the client account to increase the free margin and equity of the account. Credit can be granted if client has sent a wire, but funds was not received by the Company yet. If there are no special agreed conditions described in the Contractual Documentation credit is granted in the sole discretion of the Company.
4. **MARGIN** - margin is an amount of funds which is needed to open a given position. Margin depends on instrument specification and leverage set on the account. Margin is calculated only during position opening and remains the same until position is closed. Once the position is open, margin is displayed in margin section in the platform and it decreases the free margin of the account. In order to open a position client should have sufficient free margin on the account, otherwise transaction will be rejected.
5. **FREE MARGIN** - it is a relation between balance or equity (whichever is smaller) and margin. Free margin is calculated as a difference between balance or equity and current margin. In order to open new positions Free margin must have positive value.
6. **MARGIN LEVEL** - it is a value in percentage which is a relation between equity and margin (margin level = equity / margin). If equity is greater than balance, margin level is calculated as balance / margin. If margin level is below 100%, the client is not able to open any new position, which would increase his net exposure, only positions which are decreasing the net exposure are allowed. If margin level falls below 30%, then stop out procedure is triggered. The Company reserve the right to set limits on exposure in particular financial instruments or groups of financial instruments.
7. **STOP OUT** - it is a mechanism of closing Client's transactions if Margin Level falls below 30%. Positions are closed gradually from the highest loss (provided that the given financial instrument is available for trading). Which means that at the first stage the process automatically checks which financial instrument the Client has the biggest losses on. If the Client has several positions on a given financial instrument, their closing order is carried out in accordance with the FIFO rule (second stage). After each closing system checks if Margin Level is above required value (30%). If the Margin Level is still below required value, next position is closed until the Margin Level rises above required value. If all positions on a given financial instrument are closed and the Margin Level still does not have the required level, the process continues according to the above rules (it is checked on which

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next financial instrument the total value of the positions with the highest lost and then they are closed in accordance with the FIFO rule).

8. **NETTING** - it is an automatic procedure performed on client account, which closes opposite positions according to FIFO rule. Client acknowledges that it is not possible to maintain opposite positions open on the account.
9. **DEPOSITS / WITHDRAWALS** - Client is responsible for making deposits to hedge account in timely manner. The only binding confirmation is confirmation received from the Company Bank, that wire has been delivered. The Company can accept also swift confirmations, but it is always an individual decision, which cannot be subject for any claims if such acceptance was not made. Withdrawals can be made only upon the value of free margin, which is displayed on the account.
10. **RESPONSIBILITY FOR MONITORING THE ACCOUNT** - Client is the only responsible party, which bears responsibility for monitoring the account in terms of controlling margin level and margin requirements needed for maintaining client's positions. The Company can provide notices about client's account situation, but it doesn't bear responsibility for any losses if such notice was not provided.

**SCHEDULE NO. 4 – CONTRACTS FOR DIFFERENCE SUPPLEMENT**

1. This Schedule supplements and amends the Contractual Documentation as expressly provided below. In the event of any conflict or inconsistency between the Contractual Documentation and this Schedule no. 4 the provisions in this Schedule no. 4 shall prevail. You acknowledge and agree that by executing the signature page of the Application Form (Agreement), you agree to be bound by the terms of this Schedule no. 4.
2. Unless otherwise agreed in writing, you will not be entitled to delivery of, or be required to deliver, the investment to which a Contract for Difference (“CFD”) relates nor will you acquire any interest in the relevant Investment or be entitled to receive dividends or any equivalent thereof, to exercise voting rights, to receive any rights pursuant to any rights or bonus issue or to participate in any placing or open offer by virtue of your CFD position in respect of a contract investment which is a security. The payment of any dividend or occurrence of any rights or bonus issue, placing, open offer or take-over in respect of a security shall be dealt with in accordance with the Contractual Documentation.
3. Transactions you make are unfunded if they involve a CFD and we have no obligation to deliver to you the actual underlying instrument on which the financial instrument is based.
4. At any time that you wish to enter into a CFD Contract, or to close all or part of a CFD Contract, you may request a quote to open a CFD Contract with the Company during the normal hours of trading for the relevant Contract Investment.
5. You may cancel your order at any time by notice to us unless and until the order has been executed in whole or in part, only if the order is an Entry Order. As used in this Supplement, “**Entry Order**” shall mean an order to enter the market at a specific price. If an order has been executed in whole or in part, it will not be possible for you to cancel the order to the extent that the order has been executed. If an order is a Market Order, it will not be possible for you to cancel the order at any time. As used in this Supplement, “**Market Order**” shall mean an order to enter the market at the best current price.
6. The Company may close any CFD Contract in its sole and absolute discretion at any time without notice in the event that:
  - (a) it is a “sell” CFD Contract, and due to illiquidity in the relevant contract investment, we are unable to borrow a sufficient number of such contract investments to settle any underlying hedge position in respect of the CFD Contract;
  - (b) we are required, at any time, by a lender to return any contract investment borrowed by us that relates to a CFD Contract and we are then unable to maintain a hedge position in respect of that CFD Contract;
  - (c) at any time we are unable to establish or maintain a hedge position in respect of a CFD Contract;
  - (d) you fail to honor a Margin call warning in accordance with Terms & Conditions;
  - (e) an Event of Force Majeure; or
  - (f) the Agreement is terminated.

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7. We shall determine any Closing Price required as soon as reasonably practicable after the Closing Date to reflect the economic effect (and anticipated economic effect) on us of the event giving rise to the Closing Date including (without limitation):
- (a) the effect (and anticipated effect) of such event on the value, transferability, liquidity and/or volatility of the Contract Investment;
  - (b) the effect (and anticipated effect) of such event on any hedge, contract or other trading position relating to the CFD Contract which we have or have had in place, or may reasonably have put in place;
  - (c) the effect (and anticipated effect) of such event on the value, transferability, liquidity and/or volatility of such hedge, contract or other trading position; and
  - (d) any costs we incur (and anticipate incurring) in terminating, liquidating or re-establishing any hedge, contract or other such trading position we have or have had in place.