

Terms and Conditions

The Company will provide services to the Client strictly under the following Terms and Conditions (hereinafter called the "Terms").

1. Definitions and Interpretations

1.1 Terms stated below shall have the following meanings and may be used in the singular or plural as appropriate.

"**Account**" means a trading account of the Client with the Company;

"**Account Detailed Report**" shall mean a statement of the Clients securities portfolio, open positions, margin requirements, cash deposit etc. at a specific point in time;

"**Authorized Person**" means a person authorized by the Client under a power of attorney to give instructions to the Company;"

"**Balance**" means the sum of the Client Account after the last transaction made within any period of time.

"**Best Execution Policy**" means the Company's prevailing policy available at the Company's Website regarding best execution when executing client orders;

"**Business Day**" means any day on which banks are open for business in the Republic of Cyprus;

"**CFD Contract or CFD**" means a contract which is a contract of difference by reference to fluctuations in the price of the relevant security or index;

"**Client**" means a natural or legal person to whom services will be provided by the Company;

"**Collateral**" means any securities or other assets deposited with the Company;

"**Company**" means Trading Point of Financial Instruments Limited a company registered in the Republic of Cyprus under the registration number HE 251334 and licensed by Cyprus Securities and Exchange Commission (CySEC) with license No. CIF 120/10, having its registered office at Richardou & Verengarias 12, ARAOUZOS CASTLE COURT, 3rd floor, P.C. 3042, Limassol, Cyprus and any branches thereof.

"**Company's Website**" means www.trading-point.com or any other website that may be the Company's website from time to time.

"**Contract**" means any contract, whether oral or written, for the purchase or sale of any commodity, security, currency or other financial instruments or property, including any derivative contracts such as options, futures, CFDs or other transactions related thereto, entered into by the Company and the Client;

"**Counterparties**" shall mean banks and/or brokers through whom the Company may cover its Contracts with Clients;

"**Durable Medium**" means any instrument which enables the Client to store information in a way accessible for future reference for a period of time adequate for purposes of the information and which allows the unchanged reproduction of the information stored;

"**Equity**" equals (Balance + Floating Profit & Loss + Swap).

"**Event of Default**" shall have the meaning given to this term in Clause 14;

"**Floating Profit/Loss**" shall mean the unrealized profit (loss) of open positions at current prices of the underlying currencies, contracts or stocks, equity indexes, precious metals or any other commodities available for trading.

"**Free Margin**" means the funds not used as guarantee to open positions, calculated as: Free Margin=Equity-Margin.

"**Margin**" means the necessary guarantee funds to open positions, as determined in the Spreads and Conditions Schedule;

“Margin Call” when the Margin posted in the margin account is below the minimum margin requirement, the Company issues a Margin Call and in this case the Client will have to either increase the Margin that he/she has deposited, or to close out his/her position(s). If the Client does not do any of the aforementioned, the Company shall have the right to close the positions of the Client.

“Margin Level” is the index calculated as: Equity/Margin.

“Market Maker” means a professional participant in the financial markets who continuously offers purchase and sale prices for a financial instrument in order to buy and sell respectively in the event of interested Clients. Being a Market Maker, the Company is in relation to a transaction the Client’s immediate counterpart;

“Market Rules” means the rules, regulations, customs and practices from time to time of any exchange, clearing house or other organization or market involved in the conclusion, execution or settlement of a Contract any exercise by any such exchange, clearing house or other organization or market of any power or authority conferred on it;

“OTC” shall mean any Contract concerning a commodity, security, currency or other financial instrument or property, including any option, future, or CFD which is not traded on a regulated stock or commodity exchange but “over the counter” by the Company whether as a Market Maker as described in Clause 10 or otherwise;

“Principal” means the individual person or the legal entity which is a party to a transaction;

“Security” means any securities or other assets deposited with the Company

“Services” means the services to be provided by the Company to the Client construed by these Terms. Services is inclusive of any dealing, order routing, advisory or other services which the Company provides from time to time to the Client by remote access via the Internet and which are subject to these Terms;

“Spreads and Conditions Schedule” means the schedule of spreads, charges, margin, interest and other rates which at any time may be applicable to the Services as determined by the Company on a current basis. The Spreads and Conditions Schedule is available on the Company’s Website and may be supplied to the Client on demand.

“Swap” shall mean the funds withdrawn or added to the Client’s Account from rolling over (transfer) of an open position to the next day.

“Terms” mean these Terms and Conditions governing the Client relationship with the Company;

“Trade Confirmation” means a notification from the Company to the Client confirming the Client’s entry into a Contract;

“Trading Platform” means any online trading platform made available to the Client by the Company for placing orders, requesting quotes for trades, receiving price information and market related news as well as having a real-time revaluation of the open positions, through the Internet;

- 1.2 “In writing or written” means inclusive of electronic form.
- 1.3 If there is any conflict between the Terms and relevant Market Rules, the Market Rules shall prevail.
- 1.4 Any reference in these Terms to a person shall include bodies’ corporate, unincorporated associations, partnerships and individuals.
- 1.5 Any reference in these Terms to any enactment shall include references to any statutory modification or re-enactment thereof or to any regulation or order made under such enactment (or under such a modification or re-enactment).
- 1.6 Any headings and notes used in these Terms are intended exclusively for convenience and shall not affect the content and interpretation of these Terms.

2. Client Categorization

- 2.1 In compliance with the European Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (MiFID), the Company classifies its Clients in three main categories: Eligible Counterparties (ECPs), Professional Clients and Retail Clients.
- 2.2 The Company attaches different levels of regulatory protection to each category and hence to Clients within each category. In particular, Retail Clients are afforded the most regulatory protection; Professional Clients and ECPs are considered to be more experienced, knowledgeable and sophisticated and able to assess their own risk and are thus afforded fewer regulatory protections.
- 2.3 The Company offers its Clients the possibility to request re-categorization and thus to increase or decrease the level of regulatory protections afforded. Where a Client requests a different categorisation (either on an overall level or on a product level), the Client needs to meet certain specified quantitative and qualitative criteria.
- 2.4 On the basis of the Client's request, the Company undertakes an adequate assessment of the expertise, experience and knowledge of the Client to give reasonable assurance, in the light of the nature of transactions or services envisaged that the Client is capable of making his/her own investment decisions and understanding the risks involved. However, if the above-mentioned criteria are not met, the Company reserves the right to choose whether to provide services under the requested categorization.

3. Services

- 3.1 Under these Terms, the Company may enter into transactions with the Client in the following financial instruments:
 - a. CFD on currencies, equities, precious metals, financial indices, future contracts and any other trading tools.
 - b. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivative instruments, financial indices or financial measures which may be settled physically or in cash.
 - c. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event)
 - d. Options, futures, swaps, and other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market and/or an MTF
 - e. Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point (d) above and not being for commercial purposes, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are cleared and settled through recognized clearing houses or are subject to regular margin calls
 - f. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates, emission allowances or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise that by reason of a default or other termination event), as well as any other derivative contracts relating to assess, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are cleared and settled through recognized clearing houses or are subject to regular margin calls.
 - g. Such other investments instruments agreed upon with the Company.
- 3.2 Orders may be placed as market orders to buy or sell as soon as possible at the price obtainable in the market, or on selected products as limit and stop orders to trade when the price reaches a predefined level. Limit orders to buy

and stop orders to sell must be placed below the current market price, and limit orders to sell and stop orders to buy must be placed above the current market price. If the bid price for sell orders or ask price for buy orders is reached, the order will be filled as soon as possible at the price obtainable in the market. Limit and stop orders are executed consistent with the Company's Best Execution Policy and are not guaranteed executable at the specified price or amount, unless explicitly stated by the Company for the specific order.

- 3.3 Both the Company and the Client will, unless otherwise agreed in writing, enter into Contracts as Principal. If the Client acts on behalf of a Principal, whether or not the Client identifies that Principal to the Company, the Company shall not be obliged to accept the said Principal as client, and consequently shall be entitled to accept the Client as Principal in relation to the Contract.

4. Instructions

- 4.1 The Client may give the Company oral or written instructions (which shall include instructions provided via the internet or by e-mail as described below). The Company shall acknowledge the reception of the instructions orally or in writing, as appropriate.
- 4.2 The Client shall notify the Company of the identity of any persons authorized to give instructions to the Company on behalf of the Client. Any such notice shall be in writing and shall set out the names and specimen signatures of the person or persons to be authorized. Any such authority may be revoked by notice in writing by the Client but shall only be effective upon written confirmation by the Company of the Company's receipt of notice of revocation. The Company shall not be liable for any loss, direct or indirect, resulting from the Client's failure to notify it of such revocation.
- 4.3 The Company shall be entitled to act upon the oral or written instructions to any person so authorized or any person who appears to the Company to be an Authorized Person, notwithstanding that the person is not, in fact, so authorized.
- 4.4 Once an instruction has been given by or on behalf of the Client, it cannot be rescinded, withdrawn or amended without the Company's express consent. The Company may at its absolute discretion refuse any dealing instruction given by or on behalf of the Client without giving any reason or being liable for any loss occasioned thereby.
- 4.5 Any instruction sent via the Trading Platform or by e-mail by the Client shall only be deemed to have been received and shall only then constitute a valid instruction and/or binding Contract between the Company and the Client when such instruction has been recorded as executed by the Company and confirmed by the Company to the Client through the Trade Confirmation, and the mere transmission of an instruction by the Client shall not constitute a binding Contract between the Company and the Client.
- 4.6 The Client shall promptly give any instructions to the Company, which the Company may require of the Client. If the Client does not provide such instructions promptly, the Company may, in its absolute discretion, take such steps at the Client's cost, as the Company considers appropriate for its own protection or for protection of the Client. This provision is similarly applicable in situations when the Company is unable to obtain contact of with the Client.
- 4.7 The Company shall not be liable for any loss, expense, cost or liability suffered or incurred by the Client as a result of instructions being given, or any other communications being made, via the Internet. The Client will be solely responsible for all orders, and for the accuracy of all information, sent via the Internet using the Client's name or personal identification number. The Company will not execute an order until it has confirmed the order to the Client and transmission of an order shall not give rise to a binding Contract between the Company and the Client.

- 4.8 If the Company does not receive instructions from the Client to settle any open Contracts by the close of the Business Day, the Company is hereby authorized (but not obliged) to transfer all said Contracts to the next business date traded. (Rollover)
- 4.9 The Company may (but shall not in any circumstances be obliged) require confirmation in such form as the Company may reasonably request if an instruction appears to the Company that such confirmation is necessary or desirable; or such instruction is to close an Account or remit money due to the Client.
- 4.10 In general, the Company shall act according to instructions as soon as practically possible and shall, as far as trading instructions are concerned, act in accordance with the Company's Best Execution Policy. If, after instructions are received, the Company believes that it is not reasonably practicable to act upon such instructions within a reasonable time, the Company may defer acting upon those instructions until it is, in the Company's reasonable opinion, practicable to do so or notify the Client that the Company is refusing to act upon such instructions. The Company shall not be liable for any losses resulting from such deferral or refusal.
- 4.11 The Company is, in accordance with its Best Execution Policy, entitled to aggregate the Client's orders with the bank's own orders, orders of any of the Company's associates and/or persons connected with the Company including employees and other clients. Furthermore, the Company may split the Client's orders when executing these. The orders will only be aggregated or split if the Company reasonably believes it to be in the best interest of the Client. On some occasions aggregation and split of the Client's order may result in the Client obtaining a less favourable price than if the Client's orders had been executed respectively separately or mutually.
- 4.12 The Client agrees that the Company may record all telephone conversations, internet conversations (chat), and meetings between the Client and the Company and use such recordings, or transcripts from such recordings, as evidence in any dispute or anticipated dispute between the parties. However, technical reasons may prevent the Company from recording a conversation, and recordings or transcripts made by the Company will be destroyed in accordance with the Company's normal practice. Consequently, the Client should not rely on such recordings to be available
- 4.13 If the Client is more than one person (for example, joint account holders):
- the liabilities of each such person shall be joint and several;
 - the Company may act upon instructions received from any one person who is, or appears to the Company to be, such a person, and
 - any notice and other message presented by the Company to one of such persons is deemed to be presented to all said persons.
 - the rights of the Company in case an Event of Default occurs shall apply if an Event of Default shall be deemed to have occurred in respect of any such persons.
- 4.14 If the Client operates several Accounts (or sub-accounts) and opposite positions are opened on different Accounts (or sub-accounts), the Company shall not close out such positions. The Client is specifically made aware that unless closed manually, all such positions may be rolled over on a continuous basis and thereby consequently all incur a cost for such roll-over.

5. Internet and Electronic Trading

- 5.1 The Client acknowledges the electronic nature of the Services and the inherent risk that communications by electronic means may not reach their intended destination or may do so much later than intended for reasons outside the Company's control.

- 5.2 Since the Company does not control signal power, its reception or routing via Internet or any other means of electronic communication, configuration of Client's equipment or reliability of its connection, the Company shall not be liable for any claims, losses, damages, costs or expenses, including attorneys' fees, caused directly or indirectly, by any breakdown or failure of any transmission or communication system or computer facility belonging to the Company
- 5.3 The Client is obliged to keep passwords secret and ensure that third parties do not obtain access to the trading facilities. The Client will be liable to the Company for transactions executed by means of the Client's password even if such may be wrongful
- 5.4 Unless otherwise indicated or agreed any prices shown on the Company's Trading Platform are indicative at the time shown based on data that is subject to constant change. The execution price is that which is confirmed to the Client on the Trade Confirmation issued (whether on screen or otherwise) after the Client order is executed, although this price may in certain cases differ from the price appearing on the screen at the time the order was placed. In the event that an erroneous price is used as the basis of any transaction the Company reserves the right to amend or revoke the details of the transaction(s) in question.
- 5.5 The limit order functionality of the Trading Platform will be subject to the Internet service remaining available over the period in which the limit order is outstanding, and will be subject to size limits input by the Company's dealer(s) remaining in excess of the Client's order size and such dealer's position limits and/or any other limits determined by the Company to be applicable to the Client (whether or not disclosed to the Client) still being able to facilitate the order at the time the limit price is reached.
- 5.6 The identification or use of any third party products, services or websites is not an endorsement by the Company of such services, products or websites. The Company accepts no responsibility or liability of any kind in respect of any materials on any website which is not under the Company's direct control.
- 6. Client Funds**
- 6.1 All amounts handed over by the Client to the Company or which the Company holds on behalf of the Client, for the provision of Investment Services as in Clause 3 above, shall be held in the name of the Client and/or in the name of the Company on behalf of the Client in an account with a credit institution within EEA or a bank authorized in a third country or any electronic payment providers/processors which the Company shall specify from time to time ("the 'Bank Account'") and separately from any accounts used to hold funds belonging to the Company. The Client's Funds may therefore be held outside the EEA state and in such circumstances the legal and regulatory regime may differ from that applicable in an EEA state with the effect that in the insolvency or equivalent failure of that bank or third party the treatment afforded to Client Funds may be different to the treatment afforded to Client Funds held in an account with a bank or third party subject to an EEA state laws. The Company will not be liable for any failure or insolvency of any bank or third party; however, applicable investor compensation or deposit protection schemes may protect a proportion of Client Funds with any bank or third party.
- 6.2 Unless the Client notifies the Company in writing or otherwise, the Company may allow a third party, such as an exchange, a clearing house or an intermediate broker to hold all control Client Funds where the Company transfers the Client Funds (a) for the purposes of a transaction for the Client through or with that person; or (b) to meet Client's obligations to provide collateral for a transaction (e.g. an initial margin requirement for a derivative transaction).
- 6.3 The Client authorizes the Company to make any deposits and withdrawals from the Client's Account on his/her behalf including, without prejudice to the generality of the above, withdrawals for the settlement of all transactions

undertaken under the Terms and all amounts which are payable by or on behalf of the Client to the Company or any other person.

- 6.4 Unless the Parties otherwise agree, in writing, any amount payable by the Company to the Client, shall be paid directly to the Client.
- 6.5 The Company may at its discretion from time to time and without Client's authorisation set off any amounts held on Client's behalf against the Client's obligation to the Company and/or merge any Accounts of the Client with the Company.
- 6.6 The Client has the right to withdraw the funds which are not used for margin covering, free from any obligations (Free Margin) from his/her Account without closing the said Account.
- 6.7 Money transfer request (withdrawal from trading account) is processed within three Business Days after receiving from the Client transfer request instructions. Then the transferring amount reduces the balance of the Client's sub-account when the transfer request process is concluded. The Company reserves the right to decline a withdrawal request if the request is not in accordance with Clause 6.9 below, or delay the processing of the request if not satisfied on full documentation of the Client.
- 6.8 The Client agrees to pay any incurred bank transfer fees when withdrawing funds from the Client's Account to his/her designated bank account. The Client is fully responsible for payments details, given to the Company and the Company accepts no responsibility for the Client's funds, if the details given by the Client are wrong. It is also understood that the Company accepts no responsibility for any funds not deposited directly into the Company's bank accounts.
- 6.9 The Client agrees that any amounts sent by the Client or on the Client's behalf in the bank account of the Company will be deposited to the Client's Account at the value date of the payment received and net of any charges / fees charged by the bank account providers or any other intermediary involved in such transaction process. The Company must be satisfied that the sender is the Client or an authorized representative of the Client before making any amount available to the Client's Account, otherwise the Company reserves the right to refund / send back the net amount received to the remitter by the same method as received.
- 6.10 Withdrawals should be made using the same method used by the Client to fund his/her Account and to the same remitter. The Company reserves the right to decline a withdrawal with specific payment method and suggest another payment method where the client needs to proceed with a new withdrawal request, or request further documentation while processing the withdrawal request. If the Company is not satisfied with any documentation provided by the Client will reverse the withdrawal transaction and deposit the amount back to the Client's Account.
- 6.11 The Client agrees to waive any of his rights to receive any interest earned in the money held in the Bank Accounts and consents that the Company will benefit for such an interest earned to cover registration / general expenses / charges / fees and interest related to the administration and maintenance of the bank accounts. Such expenses will not be passed over to the Clients what so ever. However, the Company may at its discretion pay interest at a rate and basis of calculation as it determines.

7. Company's Spreads and Conditions

- 7.1 By accepting the Terms, the Client has read, understood and accepted the information under the Spreads and Conditions Schedule available on the Company's Website, in which all related spreads, charges, margin, interest and other rates are explained. The Company reserves the right to amend at discretion all such spreads, charges, margin, interest and other rates and proper information on such amendments will be available on the Company's Website

which the Client must review during the period the Client is dealing with the Company and especially before placing any orders to the Company.

- 7.2 The Company is entitled, but shall not in any circumstances be obliged, to convert:
- any realised gains, losses, option premiums, commissions, interest charges and brokerage fees which arise in a currency other than the Client's base currency (i.e. the currency in which the Client's Account is denominated) to the Client's base currency;
 - any cash currency deposit to another cash currency deposit for the purpose of purchasing an asset denominated in a currency other than the Client's base currency;
 - any monies held by the Company for the Client into such other currency as the Company considers necessary or desirable to cover the Client's obligations and liabilities in that currency.
- 7.3 Whenever the Company conducts currency conversions, the Company will do so at such reasonable rate of exchange as the Company selects. The Company shall be entitled to add a mark-up to the exchange rates. The prevailing mark-up is defined in the Spreads and Conditions Schedule.
- 7.4 In addition the Client shall be obliged to pay all applicable VAT and other taxes and all other fees incurred by the Company in connection with any Contract and/or in connection with maintaining the Client relationship.
- 7.5 The Company may share commissions and charges with its associates, Business Introducers or other third parties or receive remuneration from them in respect of Contracts entered into by the Company. Details of any such remuneration or sharing arrangement will not be set out on the relevant Trade Confirmations. The Company (or any associate) may benefit from commission, mark-up, mark-down or any other remuneration where it acts for the Counterparty to a Contract.
- 7.6 The Company will upon reasonable request and to the extent possible disclose to the Client the amount of commission, mark-up, mark-down or any other remuneration paid by the Company to any Business Introducer or other third party.
- 7.7 In respect of any transactions to be effected OTC, the Company shall be entitled to quote prices at which it is prepared to trade with the Client. Save where the Company exercises any rights it may have under the Terms to close a Contract, it is the Client's responsibility to decide whether or not it wishes to enter into a Contract at such prices.
- 7.8 Client Accounts in which there have been no transactions (trading / withdrawals / deposits), for a set period of 6 months, will be considered by the Company as being dormant accounts. Dormant accounts will be charged a monthly maintenance fee of US\$5 on the remaining Balance of the Account until the Balance is zero. All Dormant accounts with a zero Balance will be closed. The Company undertakes to make good any valid claim against the released balances.

8. Margin Deposits, Collateral and Payment

- 8.1 The Client shall pay to the Company on demand:
- Such sums of money by way of deposits or as initial or variation Margin as the Company may from time to time require;
 - Such sums of money as may from time to time be due to the Company under a Contract and such sums as may be required in or towards clearance of any debit balance on any Account;
 - Such sums of money as the Company may from time to time require as security for the Client's obligations to the Company; and
 - Any amount necessary for maintaining a positive balance in any and all Accounts

- 8.2 With the prior written consent of the Company on each occasion, the Client may deposit Security with the Company or provide the Company with a guarantee or indemnity from a person and in a form acceptable to the Company instead of cash for the purpose of complying with its obligations. The Client is made specifically aware that the Company at its reasonable discretion may determine the value by which Security shall be registered and consequently contribute to the Company's demand towards the Client and the Company may continuously change such value of Security without prior notice to the Client.
- 8.3 The Client shall promptly deliver any money or property deliverable by it under a Contract in accordance with the Terms of that Contract and with any instructions given by the Company for the purpose of enabling the Company to perform its obligations under any corresponding Contract entered into between the Company and a third party.
- 8.4 If the Client fails to provide any Margin, deposit or other payable amount in accordance with the Terms in respect of any transaction, the Company may close out any open Contract without prior notice to the Client and apply any proceeds thereof to payment of any amounts due to the Company.
- 8.5 The Company reserves the right to return the funds deposited by the Client with the Company, to the Client at any time with or without reasons.

9. Account Reporting and Trade Confirmation

- 9.1 The Company will make available to the Client a Trade Confirmation in respect of any transaction or Contract entered into by the Company with or for the Client and in respect of any open position closed by the Company for the Client. Trade Confirmations will normally be available instantly following the execution of the transaction through the Trading Platform.
- 9.2 An Account Detailed Report is available to the Client through the Trading Platform. The Account Detailed Report will normally be updated periodically during the Company's opening hours. By accepting the Terms the Client agrees not to receive any Trade Confirmations or Account Detailed Reports in printed form from the Company other than upon specific request.
- 9.3 The Client must verify the contents of each document received from the Company. Such documents shall, in absence of manifest error, be conclusive unless the Client notifies the Company in writing to the contrary within three (3) Business Days of receiving such document.
- 9.4 The Client is obliged to verify the contents of each document, including documents sent in electronic form from the Company. Such documents shall, in the absence of manifest error, be deemed conclusive unless the Client notifies the Company in writing to the contrary within (3) Business Days after having received such document. In the event that the Client believes to have entered into a transaction or Contract, which should have produced a Trade Confirmation or otherwise a posting on the Client's Account, but the Client has not received such confirmation, the Client must inform the Company immediately when the Client ought to have received such confirmation. In the absence of such information the transaction or Contract may at the Company's reasonable discretion be deemed non-existent.

10. Market Making

- 10.1 The Client is specifically made aware that in certain markets, including the foreign exchange markets, OTC foreign exchange options and CFD Contracts, the Company may act as a Market Maker.
- 10.2 The Company will, upon the Client's written request, in general disclose to the Client whether the Company may act as a Market Maker in a certain instrument.

- 10.3 When acting as a Market Maker, the Company will under normal market circumstances quote the Client bid and ask prices.
- 10.4 In order for the Company to quote prices with the swiftness normally associated with speculative trading, the Company may have to rely on available price or available information that may later prove to be faulty due to specific market circumstances, for instance, but not limited to, lack of liquidity in or suspension of an asset or errors in feeds from information providers or quotes from Counterparties. If so and if the Company has acted in good faith when providing the price to the Client, the Company may cancel the trade with the Client but shall do so within reasonable time and shall provide the Client with a full explanation for the reason for such cancellation.
- 10.5 Following execution of any position with a Client, the Company may at the Company's reasonable discretion subsequently offset each such client position with another client position, or a position with one of the Company's Counterparties or retain a proprietary position in the market with the intention to obtain trading profits from such positions. Such decisions and actions may therefore result in the Company offsetting client positions at prices different – sometimes significantly different – from prices quoted to clients, resulting in trading profits or losses for the Company. This in turn can raise the possibility of the Client incurring what may be seen as an implied cost (i.e. the difference between the price at which the Client traded with the Company and the price at which the Company subsequently traded with Counterparties and/or other clients) due to any profits realised by the Company as a result of the Market Making function. However the Market Making function may involve significant costs to the Company if the market moves against the Company as compared to the price at which the Company traded with the Client.
- 10.6 The Client accepts that the Company in such markets where the Company acts as Market Maker, may hold positions that are contrary to positions of the Client, resulting in potential conflicts of interest between the Company and the Client.
- 10.7 In markets, where the Company acts as a Market Maker, the Client accepts that the Company has no obligation to quote prices to clients at all times in any given market, nor to quote such prices to clients with a specific maximum spread.
- 10.8 The Client acknowledges, recognizes and accepts that the price quoted to the Client includes a spread when compared with the price to which the Company may have covered or expected to be able to cover the Contract in a trade with another client or a Counterparty. Furthermore, the Client acknowledges, recognizes and accepts that said spread constitutes remuneration to the Company and that such spread can not necessarily be calculated for all Contracts and that such spread will not be specified at the Trade Confirmation or otherwise revealed to the Client.
- 10.9 Any commission costs, interest charges, costs associated to and included in the spreads quoted by the Company as a Market Maker in certain markets and other fees and charges will consequently influence the Client's trading result and will have a negative effect on the Client's trading performance compared to a situation if such commission costs, interest charges, costs associated to and included in the spreads did not apply.
- 10.10 Whilst dealing spreads and commissions are normally considered moderate seen in relation to the value of the assets traded, such costs may be considerable when compared with the Client's margin deposit. As a consequence thereof the Client's margin deposit may be depleted by trading losses that the Client may incur and by the directly visible dealing costs such as commissions, interest charges and brokerage fees as well as the said not visible costs for the Client, caused by the Company's performance as a Market Maker.
- 10.11 If the Client is an active trader and is undertaking numerous transactions, the total impact of visible as well as not visible costs may be significant. Consequently the Client may have to obtain significant profits in the markets in order to cover the costs associated with trading activities with the Company. For very active Clients, such costs may

over time exceed the value of the margin deposited. Normally, when trading margined derivatives, the lower the percentage of the applicable margin rate, the higher the proportion of the costs associated with executing a transaction.

- 10.12 The Client is specifically made aware that in the area of market making in foreign exchange, OTC foreign exchange options, CFD Contracts and other OTC products, significant implied costs can arise as a consequence of the profits made by the Company performing in its capacity as a Market Maker.
- 10.13 The Company's performance as a Market Maker may negatively affect the Client's Account with the Company and the said implied costs are neither directly visible nor directly quantifiable for the Client at any time.
- 10.14 The Company is at no time obliged to disclose any details of its performance or income produced as a Market Maker or otherwise related to other commissions, charges and fees.
- 10.15 The Client is specifically made aware that CFD Contracts may be OTC products quoted by the Company whilst operating as a Market Maker and not traded on a recognized stock exchange. As a result, the description above of the implied, not visible costs related to the Company's performance as a Market Maker may also apply to any CFD Contract.

11. Arbitrage

- 11.1 Internet, connectivity delays, and price feed errors sometimes create a situation where the price displayed on the Trading Platform does not accurately reflect the market rates. The concept of arbitrage and "scalping", or taking advantage of these internet delays, cannot exist in an OTC market where the Client is buying or selling directly from the principal. The Company does not permit the practice of arbitrage on the Trading Platform. Transactions that rely on price latency arbitrage opportunities may be revoked, without prior notice. The Company reserves the right to make the necessary corrections or adjustments on the Account involved, without prior notice. Accounts that rely on arbitrage strategies may at the Company's sole discretion be subject to the Company's intervention and the Company's approval of any Orders. Any dispute arising from such quoting or execution errors will be resolved by the Company in their sole and absolute discretion.
- 11.2 The Company shall have no obligation to contact the Client to advise upon appropriate action in light of changes in market conditions or otherwise.
- 11.3 The Client agrees to indemnify and hold the Company, its affiliates and any of their directors, officers, employees and agents harmless from and against any and all liabilities, losses, damages, costs and expenses, including legal fees incurred in connection with the provision of the services under these Terms provided that any such liabilities, losses, damages, costs and expenses have not arisen for the Company's gross negligence, fraud or willful default.

12. Conflicts of Interest

The Company, its associates or other persons or companies connected with the Company may have an interest, relationship or arrangement that is material in relation to any transaction or Contract effected, or advice provided by the Company, under the Terms. By accepting these Terms and the Company's Conflict of Interest Policy (which distinctly describes the general character and/or background of any conflict of interest) the Client agrees that the Company may transact such business without prior reference to any potential specific conflict of interest.

13. Business Introducer

- 13.1 In cases where the Client is introduced to the Company through a Business Introducer, Client acknowledges that the Company is not responsible for the conduct and/or representations of the Business Introducer or its associated persons while representing the Client to the Company. The Client agrees to waive any claims the Client may have

against the Company, and to indemnify and hold the Company harmless for any actions or omissions of the Business Introducer or its associated persons.

13.2 The Client acknowledges and confirms that:

- a. the Company does not bear responsibility for whatever agreements are reached between the Client and the Business Introducer.
- b. his/her agreement with the Business Introducer may result in additional costs, since the Company may be obliged to pay commission fees or charges to the Business Introducer.
- c. the Business Introducer is authorized to have "View Only" access to one or more terminals, including terminal access through internet browser, to electronically monitor the activities of Clients' Accounts introduced by the Business Introducer to the Company.

14. Acknowledgements

14.1 The Client acknowledges, recognizes and understands that trading and investments in leveraged as well as non-leveraged Contracts is:

- a. highly speculative;
- b. may involve an extreme degree of risk; and
- c. is appropriate only for persons who, if they trade on margin, can assume risk of loss in excess of their margin deposit.

14.2 The Client acknowledges, recognizes and understands that:

- a. because of the low margin normally required in margined transactions, price changes in the underlying asset may result in significant losses, which losses may substantially exceed the Client's investment and margin deposit;
- b. certain market conditions may make it difficult or impossible to execute orders at a stipulated price;
- c. when the Client directs the Company to enter into any transaction, any profit or loss arising as a result of a fluctuation in the value of the asset or the underlying asset will be entirely for the Client's account and risk;
- d. the Company will, in general, not provide any advice to the Client. Therefore the Client agrees not to hold the Company responsible for losses incurred as a consequence of following the Company's recommendations or suggestions or those of its employees, associates or representatives, unless the Company has exercised gross negligence in connection herewith;
- e. the Company shall not conduct any continuous monitoring of the transactions already entered into by the Client. Thus, the Company cannot be held responsible for the transactions developing differently from what the Client might have presupposed and/or to the disadvantage of the Client;
- f. guarantees of profit or freedom from loss are impossible in investment trading;
- g. he/she has received no such guarantees or similar representations from the Company, from a Business Introducer, or representatives hereof or any other entity with whom the Client is conducting a Company account.
- h. the Company shall not provide any advice to the Client on any tax issues related to any Services. The Client is advised to obtain individual independent counsel from its financial advisor, auditor or legal counsel with respect to tax implications of the respective Services.

14.3 The Client further acknowledges, recognizes and understands that many Contracts will be effected subject and in accordance with Market Rules. In particular, the Client acknowledges that Market Rules usually contain far-reaching powers in an emergency or otherwise undesirable situation and agrees that if any exchange or clearing house takes

any action which affects a contract then the Company may take any action which it, in its discretion, considers desirable in the interests of the customer and/or the Company. The Company shall not be liable for any loss suffered by the Client as a result of the acts or omissions of any exchange or clearing house or any action reasonably taken by the Company as a result of such acts or omission unless the Company has exercised gross negligence in connection hereby.

15. Default

- 15.1 The Company reserves the right to retain, or make deductions from, any amounts which the Company owes, or is holding for the Client, if any amounts are due from the Client to the Company.
- 15.2 The Client hereby authorizes the Company, at the Company's discretion, at any time and without notice or liability to the Client, to sell, apply, set-off and/or charge in any manner any or all of the Client's assets and/or the proceeds from such assets which the Company has custody or control, in order to discharge all or any of the Client's obligations to the Company.
- 15.3 Each and any of the following events shall constitute an Event of Default if:
- a. The Client fails to make any payment or fails to do any other act or thing required by these Terms;
 - b. The Client fails to remit funds necessary to enable the Company to take delivery under any Contract on the first due date;
 - c. The Client fails to provide assets for delivery, or take delivery of assets, under any Contract on the first due date;
 - d. The Client dies or becomes of unsound mind;
 - e. An application is made in respect of the Client for an interim order or if a bankruptcy petition is presented in respect of the Client or, if a partnership, in respect of one or more of the partners, or if a company, a receiver, trustee, administrative receiver or similar officer is appointed;
 - f. A petition is presented for the winding-up or administration of the Client;
 - g. An order is made or a resolution is passed for the winding-up or administration of the Client (other than for the purposes of amalgamation or reconstruction with the prior written approval of the Company);
 - h. Any distress, execution or other process is levied against any property of the Client and is not removed, discharged or paid within 7 seven days; or
 - i. Any security created by any mortgage or charge becomes enforceable against the Client and the mortgagee or chargee takes steps to enforce the security or charge;
 - j. Any indebtedness of the Client or any of its subsidiaries becomes immediately due and payable, or capable of being declared so due and payable, prior to its stated maturity by reason of default of the Client (or any of its subsidiaries) or the Client (or any of its subsidiaries) fails to discharge any indebtedness on its due date;
 - k. The Client fails to fully comply with any obligations within the text of these Terms or any Contract including failure to meet margin requirements;
 - l. Any of the representations or warranties given by the Client are, or become, untrue;
 - m. The Company or the Client is requested to close out a Contract (or any part of a Contract) by any regulatory agency or authority; or
 - n. The Company is obliged to so by operation of law.
 - o. The Company reasonably considers it necessary for its own protection.
- 15.4 Upon the existence of an Event of Default, the Company shall at its discretion be entitled to:

- p. sell or charge in any way any or all of the Client's Security, assets and property which may from time to time be in the possession or control of the Company or call on any guarantee;
 - q. purchase any Security, investment or other property where this is, or is in the reasonable opinion of the Company likely to be, necessary in order for the Company to fulfill its obligations under any Contract; in this case the Client shall reimburse the Company, the full amount of the purchase price plus any associated costs and expenses;
 - r. deliver any Security investment or property to any third party, or otherwise take any action the Company considers being desirable in order to close out any Contract;
 - s. require the Client to immediately close out and settle a Contract in such manner as the Company may in its absolute discretion request;
 - t. enter into any foreign exchange transaction, at such rates and times as the Company may determine, in order to meet obligations incurred under a Contract; and
 - u. invoice back all or part of any assets standing to the debit or credit of any Account (this involves commuting Company's or the Client's obligation to deliver an asset into an obligation to pay an amount equal to the market value of the asset (determined by the Company in its absolute discretion) on the date invoicing back takes place).
- 15.5 The Client hereby authorizes the Company to take all or any measures described in this Clause without notice to the Client and acknowledges that the Company shall not be responsible for any consequences of it taking any such steps, unless the Company has exercised gross negligence in connection herewith. The Client shall execute such documents and take such other action as the Company may request in order to protect the rights of the Company in accordance with these Terms or within the scope of any agreements between the Client and the Company.
- 15.6 If the Company exercises its rights to sell any Securities or property of the Client under this Clause, it will effect such sale, without notice or liability to the Client, on behalf of the Client and apply the proceeds of sale in or towards discharge of any or all of the Client's obligations to the Company.
- 15.7 Without prejudice to the Company's other rights, the Company may, at any time and without notice, combine or consolidate all or any of the Accounts maintained by the Client with the Company and off-set any amounts owed to or by the Company in such manner as the Company may determine.

16. Representations and Warranties

- 16.1 The Client represents and warrants that:
- a. It does not have any legal disability with respect to, and is not subject to any law or regulation which prevents its performance of the Terms or any transaction contemplated by the Terms;
 - b. It has obtained all necessary consents and has the authority to operate to according the Terms (and if the Client is a company, it is properly empowered and has obtained necessary corporate or other authority pursuant to its constitutional and organizational documents);
 - c. sums, investments or other assets supplied by the Client for any purpose, subject to the Terms, at all times be free from any charge, lien, pledge or encumbrance and shall be beneficially owned by the Client;
 - d. It is in compliance with all laws to which it is subject including, without limitation, all tax laws and regulations, exchange control requirements and registration requirements; and
 - e. the information provided by the Client to the Company is complete, accurate and under no circumstances is misleading.

16.2 The above representations and warranties shall be deemed to be repeated each time the Client in the future for the duration of client relationship provides instructions to the Company

17. Indemnity and Limit of Liability

17.1 The Client shall indemnify the Company and keep the Company indemnified against all losses, expenses, costs and liabilities whatsoever (present, future, contingent or otherwise and including reasonable legal fees) which may be suffered or incurred by the Company as a result of or in connection with any of the following:

- a. the Terms have been breached by the Client;
- b. the Company enters into any transaction or Contract; or
- c. the Company takes any of the steps which the Company is entitled to take in an Event of Default

17.2 This indemnity shall survive termination of the Terms.

17.3 The Company shall not be liable for

- a. any loss, expense, cost or liability (together "Loss") suffered or incurred by the Client unless such Loss is suffered or incurred as a result of the Company's gross negligence or intended default of obligations by the Company; or
- b. any loss caused by actions of the Company, within the limits of realization of its rights, stipulated in these Terms;
- c. any consequential loss suffered or incurred by the Client whether arising from the Company's negligence or otherwise; or
- d. any loss suffered or incurred by the Client as a result of any third party (including any Counterpart or any person whom the Company engages in connection with a Contract, for example an intermediate broker) failing to perform its obligations to the Company and, in such circumstances, the Company shall not be liable to perform its obligations to the Client to the extent that it is unable to do so as a result of the third party's default.

17.4 Especially, the Client acknowledges, recognizes and accepts that any market recommendation and any information communicated by the Company does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell a Contract and that such recommendation and information, although based upon information from sources believed by the Company to be reliable, may be based solely on a broker's opinion and that such information may be incomplete and may be unverified and unverifiable. The Company makes no representation, warranty or guarantee as to, and shall not be responsible for, the accuracy or completeness of any information or trading recommendation furnished to the Client.

17.5 The Client shall indemnify the Company and keep the Company indemnified against all losses, which the Company may suffer as a result of:

- a. Any error in any instruction given by an Authorized Person; or
- b. Acting on any instruction, which is, or appears to be, from an Authorized Person.

18. Communication

18.1 Communications may be made to the Client at such address, telephone, facsimile or email address notified from time to time to the Company for this purpose.

18.2 Unless otherwise agreed in writing, all communications shall be made in the English language and shall be served by sending them by prepaid first class post, e-mail or facsimile transmission or by delivering it by hand to the address for the time being of the addressee.

- 18.3 Any such notice sent by
- a. post shall be deemed to have been served, in the case of service in Cyprus 48 hours after despatch and, in the case of service outside Cyprus, seven (7) days after despatch.
 - b. facsimile shall be deemed to have been served at the time of receipt of a positive transmission notice by the sender.
 - c. e-mail shall be deemed to have been served when received at the destination site or the address advised by recipient to the sender to be its e-mail address.
- 18.4 In proving service it will be sufficient to prove,
- a. in the case of a letter, that it was properly stamped, addressed and placed in the post,
 - b. in the case of a facsimile transmission, that it was fully despatched to a current or facsimile number of the addressee and,
 - c. in the case of e-mail, that the sender has received a valid message confirmation delivery.
- 18.5 The Client shall ensure that at all times the Company will be able to communicate with the Client or his appointed representative by telephone, facsimile or email.
- 18.6 Communications may be made to the Company at the address and telephone number notified to the Client for this purpose and shall be considered to have been duly made only upon their actual receipt by the Company.
- 18.7 The Client may alter his/her communication details by written notice to the Company.
- 19. Termination**
- 19.1 The Client relationship shall remain in force until terminated
- 19.2 Either party has the right to terminate cooperation immediately by giving written notice to the other. Termination will not affect any accrued rights. The Company will provide the notice to the Client on a Durable Medium.
- 19.3 On termination, the Company shall complete all transactions, which are already in progress, and these Terms shall continue to bind both parties in relation to such transactions. The Company may deduct all amounts due to it before transferring any credit balances to any Account of the Client and it may require to pay any charges incurred in transferring the Client's investments.
- 19.4 In case the Client involves the Company directly or indirectly in any type of fraud, the Company reserves the right to reverse all previous transactions which place the Company's interest and/or any of its Clients interest at risk before terminating cooperation with the respective Client.
- 20. Amendments**
- 20.1 These Terms shall form the entire agreement between the parties governing the provision of the Services. It supersedes all previous agreements between the Client and the Company whether oral or written which relate to the Services.
- 20.2 The Company reserves the right to amend these Terms at any time by written notice to the Client. Such changes will become effective on the date specified in the notice, which will be at least one week after the Client is notified by circular letter, by email or any other appropriate means, unless any relevant law, regulation, rule or action of any applicable government or regulator requires otherwise.
- 21. Information Disclosure**
- By accepting these Terms the Client hereby authorizes the Company to disclose such information relating to the Client as may be required by any law, rule or regulatory authority, including any applicable Market Rules, without prior notice to the Client. Moreover, the Company is entitled to disclose necessary and required information about

the Client to third parties in the Republic of Cyprus, or outside of it, to facilitate the transfer of funds from the Client's credit card.

22. Governing Law and Jurisdiction

These Terms shall be governed by and construed in accordance with the Laws of the Republic of Cyprus. The parties submit, for the benefit of the Company only, to the exclusive jurisdiction of the Courts of Cyprus. For the avoidance of doubt, the aforementioned shall not prevent the Company from commencing proceedings in any other relevant jurisdiction.

23. Miscellaneous Provisions

- 23.1 If at any time, any provision of the Terms is or becomes illegal, invalid, or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these Terms under the law of that jurisdiction nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected.
- 23.2 The Company shall not be liable to the Client for any failure, hindrance or delay in performing its obligations under these Terms where such failure, hindrance or delay arises directly or indirectly from circumstances beyond its reasonable control. Such force majeure events shall include without limitation any technical difficulties such as telecommunications failures or disruptions, non-availability of the Company's Website e.g. due to maintenance downtime, declared or imminent war, revolt, civil unrest, catastrophes of nature, statutory provisions, measures taken by authorities, strikes, lock-outs, boycotts, or blockades, notwithstanding that the Company is a party to the conflict and including cases where only part of the Company's functions are affected by such events.
- 23.3 No delay or omission on the part of the Company in exercising any right, power or remedy provided by law or these Terms, or partial or defective exercise thereof, shall:
- a. Impair or prevent further or other exercise of such right, power or remedy; or
 - b. Operate as a waiver of such right, power or remedy.
- 23.4 No waiver of any breach of any term under these Terms shall (unless expressly agreed in writing by the waiving party) be construed as a waiver of a future breach.
- 23.5 The Client is not entitled to assign and or transfer any of its rights or delegate any of the Client's obligations under the Terms to any person, whereas the Company may assign its rights or delegate its obligations to any publicly regulated financial institution
- 23.6 When making any recommendations to the Client, the Company will assume that the Client is in a position to judge the suitability of any advice given.
- 23.7 If the Company effects a transaction with or for the Client this shall not be taken to mean that the Company recommends or concurs on the merits of the transaction or that the transaction is suitable for the Client.