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**DEPAHO LIMITED  
TERMS AND CONDITIONS**

*October 2017*



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## 1. Introduction

- 1.1. Depaho Ltd. is a company incorporated and registered under the Laws of the Republic of Cyprus under Registration Number HE292004, having its registered office at Agias Fylaxeos & Amisou, 134 ANNISSA COURT, 4th floor, 3087, Limassol, Cyprus, having been granted a from the Cyprus Securities and Exchange Commission (hereinafter called “**CySEC**”) to act as a Cyprus Investment Firm (with license No. 161/11) to provide the investment and ancillary Services, (hereinafter “**the Company**”). The Company has also been authorized by the Financial Services Board in South Africa (“**FSB**”) under authorization no. 47709. The Company offers its Services to its Clients through the Platform. For more information about the Company’s licenses details please refer to the document “**Company Information**” on the FXGM website ([www.fxgm.com](http://www.fxgm.com)) (the “**Website**” as defined below) and the **Service Agreement and Appendices** under title **About Us**;
- 1.2. The present Terms and Conditions and the following appendices: “Order and Execution Policy”, “Client Categorisation”, “Investor Compensation Fund”, “Conflict of Interest Policy”, “General Risk Disclosure” (hereinafter “**the Appendices**”) (all together, i.e. the present Terms and Conditions and the Appendices, the “**Agreement**”), which are uploaded on the Website and available for all prospective clients under title *Service Agreement and Appendices* and title *Documentation*, set out the terms upon which the Company will offer Services to the Client, the rights and obligations of both Parties, shall govern the trading activity of the Client with the Company and also include important information which the Company is required as an authorised Cyprus Investment Firm to provide to its prospective Clients under Applicable Regulation. By applying for the Company’s Services (for example when completing the Registration Form), the Client declares to have read, understood and accepted all the above mentioned documents and it means that in the event that the applicant is accepted as a Client of the Company, the Client and the Company shall be bound by these. For this reason, all prospective Clients are advised to read all the above mentioned documents which form the Agreement and any other letters or notices sent by the Company carefully and make sure that they understand and agree with them before entering into an agreement with the Company; The Clients are also advised to read “*Terms and Conditions for the use of the Website and Privacy Policy*”.
- 1.3. The Agreement overrides any other agreements, arrangements, express or implied statements made by the Company or any Introducer(s);
- 1.4. The Agreement shall be binding upon and shall inure to the benefit of the Parties and their permitted successors and assigns;
- 1.5. If the Client is a consumer (and not a corporate Client) and does not meet face to face with the Company to conclude this Agreement, and instead the communication is done through the Website, and/or over the telephone, and/or by written correspondence (including electronic mail (e-mail)), then the *Distance Marketing of Financial Services Law N. 242(I)/2004*, as amended from time to time, applies. In such a case the Company shall, also send to the Client by electronic mail (e-mail) that contains access to durable format of the documents that form the Agreement;



1.6. Physical signature of the Agreement is not required, however, if the Client wishes to have it duly signed and stamped by the Company, the Client must first send two (2) signed copies of the Agreement to the Company, stating his/her postal address and upon receipt, the Company shall return a duly signed and stamped copy back to the Client's stated address.

## 2. Definitions – Interpretations

2.1. In this Agreement:

<b>'Abusive Trading'</b>	shall include any of the following actions such as, but not limited to placing "buy stop" or "sell stop" Orders prior to the release of financial data, arbitrage, manipulations, lag trading, usage of server latency, price manipulation, time manipulation, hunting of trading benefits, a combination of faster/slower feeds, abuse of the cancelation of trades feature available on the Platform or use (without the prior and written consent of the Company) of any software, which applies artificial intelligence analysis to the Company's systems and/or Platform(s) and/or Client's Trading Account;
<b>'Access Code'</b>	shall mean the username and password given by the Company to the Client for accessing the Company's Platform;
<b>'Agreement'</b>	shall mean this present document together with the following Appendices: "Order and Execution Policy", "Client Categorisation", "Investor Compensation Fund", "Conflict of Interest Policy", "General Risk Disclosure", as amended from time to time, as these can be found on the Website under title <i>Service Agreement and Appendices</i> and title <i>Documentation</i> ;
<b>Applicable Regulations</b>	shall mean (a) CySEC Rules or any other rules of a relevant regulatory authority having powers over the Company; (b) the Rules of the relevant Underlying Market; (c) the Investment Services and Activities and Regulated Markets Law of 2007, as amended; and (d) all other applicable laws, rules and regulations of the Republic of Cyprus, of the European Union and MiFID, as amended from time to time;
<b>'Ask'</b>	shall mean the buying price of a financial instrument;
<b>'Balance'</b>	shall mean the sum on the Client's Trading Account after the last transaction made within any period of time; PROfit platform: deposits minus withdrawals plus Credit plus Bonus and realized profit & loss. MetaTrader Platform: deposits minus withdrawals and realized profit & loss (not including Credit);
<b>'Balance Currency'</b>	shall mean the monetary unit in which all balances, commission fees and payments of the Client's Trading Account are nominated and calculated;
<b>'Base Currency'</b>	shall mean the first currency in Currency Pair;
<b>'Bid'</b>	shall mean the selling price of a Financial Instrument;

<b>“Business Day”</b>	shall mean any day, other than a Saturday or a Sunday, or the 25 <sup>th</sup> of December, or the 1 <sup>st</sup> of January or any other Cyprus or international holidays to be announced on the Website;
<b>‘Client’</b>	shall mean any natural or legal person who agrees to the Agreement, as amended from time to time, as it can be found on the Website under title <i>Service Agreement and Appendices</i> and title <i>Documentation</i> ;
<b>‘Client’s Trading Account’</b>	Shall mean the special personal account for internal calculation and Client’s deposits, opened by the Company in the name of the Client. The various documents which form the Agreement, including but not limited to the present Terms and Conditions and Appendices, may use the word trading account or client’s trading account interchangeably, which all have the same meaning and apply to all such trading accounts held under the name of the Client;
<b>‘Contract for Differences’ (‘CFD’)</b>	shall mean the Contract for Differences on spot FOREX, stocks, equity indexes, precious metals or any other commodities available for trading;
<b>‘Contract Specifications’</b>	shall mean each lot size or each type of the Financial Instruments offered by the Company as well as all necessary trading information concerning spreads, margin requirements etc., as determined in the Website and/or the Platform;
<b>‘Equity’</b>	shall mean the provided part of the Client’s Trading Account including open positions which are tied to the balance and floating (Profit/Loss) by the following formula: <b>Balance + Profit - Loss</b> . These are the funds on the Client’s sub – account reduced by the current loss on the open positions and increased by the current profit on the open positions;
<b>‘Financial Instruments’</b>	shall mean the CFD Contracts available for trading and other derivative contracts;
<b>‘Floating Profit/Loss’</b>	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;
<b>‘Force Majeure’</b>	Force Majeure events shall include, without limitation, any technical difficulties such as telecommunications failures or disruptions, non-availability of the 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.

<b>'Free Margin'</b>	shall mean the funds not used as the guarantee to open positions, calculated as : $\text{Free Margin} = \text{Equity} - (\text{used Margin})$ ;
<b>'Inactive Trading Account'</b>	shall mean any Client's Trading Account in which the Client did not open any position(s) and/or close any position(s) and/or kept on hold any open position(s) for a period of six (6) months;
<b>'Introducer'</b>	shall mean any third person such as a business introducer or associate or affiliate that introduces the Client to the Company;
<b>'Lot'</b>	shall mean a unit measuring the transaction amount, equaling to 100.000 of base currency (i.e. 1 lot = 100.000 of base currency in the case of a CFD on currency pairs);
<b>'Margin'</b>	shall mean the necessary guarantee funds to open positions, as determined in the contract specification;
<b>'Margin Level'</b>	shall mean the index characterizing the account, calculated as: $\text{Equity}/\text{Margin}$ ;
<b>'Open Position'</b>	shall mean the deal of purchase (sale) not covered by the opposite sale (purchase) of the contract;
<b>'Operating (Trading) Time of the Company'</b>	Shall mean the period of time within a business week, where the trading terminal of the Company provides the opportunity of trading operations with financial instruments. The Company reserves the right to alter this period of time as fit, upon notification to the Website;
<b>'Order'</b>	shall mean the request for the transaction execution;
<b>'Party' or 'Parties'</b>	shall mean the Company or the Client referred to individually as a "Party" and both of them together, collectively as the "Parties";
<b>'Pending Order'</b>	shall mean either a buy stop or sell stop or buy limit or sell limit order;
<b>"Platform"</b>	shall mean the electronic mechanism operated and maintained by the Company, consisting of a trading platform, computer devices, software, databases, telecommunication hardware, programs and technical facilities, which facilitates trading activity of the Client in Financial Instruments via the Client's Trading Account.
<b>'Registration Form'</b>	shall mean the application form/questionnaire completed by the Client in order to apply for the Company's Services under this Agreement and a Client's Trading Account, via which form/questionnaire the Company will obtain amongst other things information for the Client's identification and due diligence, his/her categorization and appropriateness or suitability (as applicable) in accordance with the Applicable Regulations.

<b>'Scalping Trades'</b>	shall mean any and all trades which have been closed within the two (2) minute limit and/or the opening of a similar "opposite" trade within the 2 minute limit;
<b>'Services'</b>	shall mean the services to be offered by the Company to the Client under this Agreement, as set out in paragraph 6 of the Agreement.
<b>'Spread'</b>	shall mean the difference between the purchase price Ask (rate) and the sale price Bid (rate) of the financial instruments at the same moment;
<b>'Stop'</b>	out level – such condition of account when the open positions are forcedly closed by the Company at current prices;
<b>'Stop Loss'</b>	shall mean a pending order that is attached to an open position or another pending order for closing the position, usually with a loss;
<b>'Take Profit'</b>	shall mean any pending order that is attached to an open position or another pending order for closing the position, usually with a profit;
<b>'Transaction'</b>	shall mean any type of transaction effected in the Client's Trading Account including but not limited to Deposit, Withdrawal, Open Trades, Closed Trades, Transfers between other accounts which belong to the Client or an authorized representative.
<b>'Underlying Asset'</b>	shall mean the financial instrument (e.g. stock, futures, commodity, currency, index) on which a derivative's price is based.
<b>'Underlying Market'</b>	shall mean the relevant market where the Underlying Asset of a CFD is traded.
<b>'Website'</b>	shall mean the Company's website at <a href="http://www.fxgm.com">www.fxgm.com</a> or such other website(s) as the Company may maintain from time to time.

2.2. All references to the singular herein shall also mean the plural and vice versa unless the context otherwise requires;

2.3. Words importing the masculine shall import the feminine and vice versa;

2.4. Any reference to any act or regulation or Law shall be that act or regulation or Law as amended, modified, supplemented, consolidated, re-enacted or replaced from time to time, all guidance noted, directives, statutory instruments, regulations or orders made pursuant to such and any statutory provision of which that statutory provision is a re-enactment, replacement or modification.

### **3. Client Application and Acceptance and Commencement of the Agreement**

3.1. After the Client fills in and submits the Registration Form together with all the required identification documentation, required by the Company for its own internal checks, the Company will send him a notice informing him whether he has been accepted as a Client of the Company. It is understood that



the Company is not to be required (and may be unable under Applicable Regulations) to accept a person as its Client until all documentation it requires has been received by the Company, properly and fully completed by such person and all internal Company checks (including without limitation anti-money laundering checks, appropriateness or suitability tests as the case may be) have been satisfied. It is further understood that the Company reserves the right to impose additional due diligence requirements to accept Clients residing in certain countries;

- 3.2. The Company reserves the right to request additional information from the Client, other than what is referred to this Agreement, to allow it to comply with its anti-money laundering obligations. The Client agrees to comply with any request for further information as the Company will reasonably require in order to enable the Company to comply with its anti-money laundering obligations.
- 3.3. The Agreement shall take effect and commence upon the receipt by the Client of a notice sent by the Company informing the Client that he has been accepted as the Company's Client and that a Client's Trading Account has been opened for him. If the Client meets with the Company face to face to conclude the Agreement, then the Agreement shall come into force and effect on signature date. The Agreement shall remain in force until terminated under paragraph 24 below.

#### **4. Client Categorisation**

- 4.1. According to Applicable Regulations, the Company has to categorise its Clients in one of the following categories: Retail Client, Professional Client or Eligible Counterparty. The Client shall be categorised and treated as a Retail Client;
- 4.2. Where the Client wishes to be governed by the Applicable Regulations and the Company's Client Categorisation, for Professional Client or Eligible Counterparty, then the Client must inform the Company in writing, clearly stating such a wish. The final decision for the changing or not of Client's Categorisation will be at the sole discretion of the Company. The categorisation shall depend on the information provided by the Client to the Company and according to the method of categorisation as this method is explained under the document "Client Categorisation" on the Website. By accepting this Agreement the Client accepts application of such method. The Company will inform the Client of his categorisation according to Applicable Regulations. The Client has the right to request different categorization;
- 4.3. The Client accepts that when categorising the Client and dealing with him, the Company will rely on the accuracy, completeness and correctness of the information provided by the Client in his Registration Form and the Client has the responsibility to immediately notify the Company in writing if such information changes at any time thereafter;
- 4.4. It is understood that the Company has the right to review the Client's Categorisation and change his Categorisation if this is deemed necessary (subject to Applicable Regulations).

#### **5. Assessment**

- 5.1. In providing the Service of Reception and Transmission and Execution of Client Orders, the Company is obliged under Applicable Regulations to seek information from a Client or potential Client regarding

his knowledge and experience in the investment field relevant to the specific type of Service or Financial Instrument offered or demanded, so as to enable the Company to assess whether the Service or Financial Instrument is appropriate for the Client or potential Client. Where the Client or potential Client elects not to provide the information regarding his knowledge and experience, or where he provides insufficient information regarding his knowledge and experience, the Company will not be able to determine whether the Service or Financial Instrument is appropriate for him. The Company shall assume that information about his knowledge and experience provided from the Client or potential Client to the Company, is accurate and complete and the Company shall have no responsibility to the Client or potential Client if such information is incomplete and/or misleading and/or changes and/or becomes inaccurate and the Company will be deemed to have performed its obligations under Applicable Regulations, unless the Client or potential Client has informed the Company of such changes.

## **6. Services**

6.1. The Services to be provided by the Company to the Client under this Agreement are the following:

- a) Reception and Transmission and Execution of Orders, via the Platform, in the Financial Instruments of CFDs (on various Underlying Assets such as Spot FOREX, equities, precious metals, and any other Underlying Assets available by the Company from time to time);
- b) Foreign Exchange Services provided these are connected with the provision of Investment Services of point (a) above;
- c) Safekeeping and administration of Financial Instruments, including custodianship and related services such as cash/collateral management, according to paragraph 6 hereunder.

6.2. The Company reserves the right to offer the Financial Instruments on any Underlying Asset it considers appropriate. The Website will be the primary means of presenting the Underlying Asset on which the Company will offer the Financial Instrument and the Contract Specifications for each of them. The Company reserves the right to modify the contents of the Website at any time upon notice given to the Client under this Agreement and the Client agrees to continue to be bound by this Agreement and the modified Contract Specifications;

6.3. It is agreed and understood that the Company offers its Services in relation to various Financial Instruments. However, the Client may be allowed to trade only in one or some of those Financial Instruments;

6.4. It is understood that when trading in CFDs, there is no delivery or safekeeping of the Underlying Asset to which the CFD is referring to.

## **7. Advice and Commentary**

7.1. The Company will not advise the Client about the merits of a particular Order or give him any form of investment advice and the Client acknowledges that the Services do not include the provision of investment advice in Financial Instruments or the Underlying Markets or Assets. The Client alone will decide how to handle his Trading Account and place Orders and take relevant decisions based on his own judgement;

- 7.2. 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 a Transaction;
- 7.3. The Company may, from time to time and at its discretion, provide the Client (or in newsletters which it may post on the Website or provide to subscribers via the Website or otherwise) 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;
  - d) If the document contains a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, the Client agrees that he will not pass it on to any such person or category of persons;
  - e) The Client accepts that prior to dispatch, the Company may have acted upon it itself to make use of the information on which it is based. The Company does not make representations as to the time of receipt by the Client and cannot guarantee that he will receive such information at the same time as other Clients.
- 7.4. It is understood that market commentary, news and/or other information provided or made available by the Company are subject to change and may be withdrawn at any time without notice.

## **8. Platform and Electronic Trading**

- 8.1. By consenting to the Agreement, the Client is entitled to apply for Access Code, which allow him to have access within the Company's Platform(s), in order to be able to give Orders with the Company, through a compatible personal computer or tablet or phone of the Client, connected to the Internet. For this reason, subject to the Client's obligations under this Agreement, the Company hereby grants the Client a limited license, which is non-transferable, non-exclusive and fully recoverable, to use the Platform(s) (including the use of the Website and any associated downloadable software available from time to time) in order to place Orders in particular Financial Instrument(s). The Company may use different Financial Instrument depending on the Platform(s);
- 8.2. The Company has the right to shut down the Platform(s) at any time for maintenance purposes without prior notice to the Client, this will be done only in weekends, unless not convenient or in urgent cases. In these cases the Platform(s) will be inaccessible;
- 8.3. The Client is solely responsible for providing and maintaining the compatible equipment necessary to access and use the Platform(s), which includes at least a personal computer or mobile phone or tablet (depending on the Platform used), internet access by any means and telephone or other access line.

Access to the internet is an essential feature and the Client shall be solely responsible for any fees necessary in order to connect to the internet;

- 8.4. The Client represents and warrants that he has installed and implemented appropriate means of protection relating to the security and integrity of his computer or mobile phone or tablet and that he has taken appropriate actions to protect his system from computer viruses or other similar harmful or inappropriate materials, devices, information or data that may potentially harm the Website, the Platform(s) or other systems of the Company. The Client further undertakes to protect the Company from any wrongful transmissions of computer virus or other similarly harmful or inappropriate material or device to the Platform(s) from his personal computer or mobile phone or tablet;
- 8.5. The Company will not be liable to the Client should his computer system or mobile phone or tablet fail, damage, destroy and/or format his records and data. Furthermore, if the Client incurs delays and any other form of data integrity problems that are a result of his hardware configuration or mismanagement, the Company shall not be liable;
- 8.6. The Company will not be liable for any such disruptions or delays or problem in any communication experienced by the Client when using the Platform(s);
- 8.7. Orders with the Company are placed on the Platform(s), with the use of Access Code through the Client's compatible personal computer (or phone or tablet) connected to the internet. It is agreed and understood that the Company will be entitled to rely and act on any Order given by using the Access Code on the Platform(s), without any further enquiry to the Client and any such Orders will be binding upon the Client;
- 8.8. The Company declares and the Client fully understands and accepts that the Company is not an Internet Service Provider nor shall be kept neither liable nor responsible for any electricity failures that prevent the use of the Platform and cannot be responsible for not fulfilling any obligations under this Agreement because of the internet connection or electricity failures. In the case of such electricity / communication/ internet failures, and when the Client wishes to execute a position, then he must telephone our operators on the phone line + 357 (22) 300542 and give verbal instruction(s). The Company reserves the right to decline any verbal instruction(s) in cases where its telephone recording system is not operational and/or in cases where the Company is not satisfied of the caller's/Client's identity or in cases where the transaction is complicated, and reserves the right to ask the Client to give instructions by any other mean, inter alia, electronic mail (e-mail).

## **9. Prohibited Actions on the Platform**

- 9.1. It is absolutely prohibited for the Client to take any of the following actions in relation to the Company's systems and/or Platform(s) and/or Client's Trading Account(s):
  - a) Use, without the prior and written consent of the Company, of any software, which applies artificial intelligence analysis to the Company's systems and/or Platform(s) and/or Client's Trading Account(s);
  - b) Intercept, monitor, damage or modify any communication which is not intended for him;

- c) Use any type of spider, virus, worm, Trojan-horse, time bomb or any other codes or instructions that are designed to distort, delete, damage or disassemble the Platform(s) or the communication system or any system of the Company;
- d) Send any unsolicited commercial communication not permitted under applicable law or Applicable Regulations;
- e) Do anything that will or may violate the integrity of the Company computer system or Platform(s) or cause such system(s) to malfunction or stop their operation;
- f) Unlawfully access or attempt to gain access, reverse engineer or otherwise circumvent any security measures that the Company has applied to the Platform(s);
- g) Any action that could potentially allow the irregular or unauthorised access or use of the Platform(s);
- h) Send massive requests on the server which may cause delays in the execution time;
- i) Perform Abusive Trading.

9.2. Should the Company reasonably suspect that the Client has violated the terms of clause 9.1., it is entitled to take one or more of the counter measures of clause 13.2.

## **10. Safety**

- 10.1. The Client agrees to keep secret and not to disclose his Access Code or Client's Trading Account number to any third person;
- 10.2. The Client should not write down his Access Code. If the Client receives a written notification of his Access Code, he must destroy the notification immediately;
- 10.3. The Client agrees to notify the Company immediately if he knows or suspects that his Access Code or Client's Trading Account number have or may have been disclosed to any unauthorised person;
- 10.4. The Company will then take steps to prevent any further use of such Access Code and will issue replacement Access Code;
- 10.5. The Client will be unable to place any Orders until he receives the replacement Access Code;
- 10.6. The Client agrees that he will co-operate with any investigation the Company may conduct into any misuse or suspected misuse of his Access Code or Client's Trading Account number;
- 10.7. The Client acknowledges that the Company bears no responsibility if unauthorised third persons gain access to information, including electronic addresses, electronic communication, personal data, Access Code and Client's Trading Account number when the above are transmitted between the Parties or any other party, using the internet or other network communication facilities, post, telephone, or any other electronic means;
- 10.8. If the Company is informed from a reliable source that the Client's Access Code or Client's Trading Account number may have been received by unauthorised third parties, the Company may, at its discretion without having an obligation to the Client, deactivate the Client's Trading Account.

## 11. Execution of Orders

- 11.1. The Client is informed that all Orders placed by the Client are received by the Company and transmitted for execution (called straight through processing or STP) directly to another entity called a Liquidity Provider. Hence the Company does not act as a counterparty of the Client in any given transaction but as a broker or agent of the Client. The sole Execution Venue for the execution of the Client's Orders is Forex Capital Trading PTY (ForexCT) Ltd, an Investment Firm registered under the Australian Securities & Investment Commission (AFSL License no 306400);
- 11.2. The Company's operation time for trading: round – the – clock from Sunday 22.00.01 GMT (Greenwich Mean Time) through Friday 22.00.00 GMT (Greenwich Mean Time). Non-working periods: from Friday 22.00.01 (Greenwich Mean Time) through Sunday 22.00.00 (Greenwich Mean Time). Holidays will be announced through the Website of the Company;
- 11.3. By accepting these present Terms and Conditions, the Client is accepting that he has read and understood and unconditionally accepted all the information provided under the title "Order Execution Policy", as this information is loaded on the Website which is public and available to all Clients;
- 11.4. The Company will be entitled to rely and act on any Order given by using the Access Code on the Platform(s) or via phone without any further enquiry to the Client and any such Orders will be binding upon the Client;
- 11.5. The Company shall, in certain circumstances (for example in case the Platform is not operational or the Client is facing technical problems) accept instructions, via telephone or in person, provided that the Company is satisfied, at its full discretion, of the caller's/Client's identity and clarity of instructions. In cases where an Order is being received by the Company in any means other than through the Platform, the Order will be transmitted by the Company to the Platform and processed as if it was received through the Platform;
- 11.6. The Client has the right to authorize a third party to give instructions and/or Orders to the Company or to handle any other matters related to this Agreement, provided that the Client has notified the Company in writing, of exercising such a right and that this person is approved by the Company fulfilling all of Company's specifications for this. Unless the Company receives a written notification from the Client stating the expressed termination of the said person's authorization, the Company will continue accepting instructions and/or Orders given by this person on behalf of the Client and the Client shall recognize such Orders as valid and committing. The above written notification for the termination of the authorization to a third party has to be received by the Company with at least two (2) Business Days' notice;
- 11.7. Orders cannot be changed or removed after placed in the market. Stop Loss and Take Profit Orders may be changed even if the trade was placed in the market as long as they are higher in distance than a specific level (depending on the trading symbol). The Client may change the expiry date of



Pending Orders or delete or modify a Pending Order before it is executed, if it is not Good till Cancelled (GTC);

11.8. The transaction (opening or closing a position) is executed at the Bid / Ask prices offered to the Client. The Client chooses desirable operation and makes a request to receive a transaction confirmation by the Company. The transaction is executed at the prices the Client can see on the screen. Due to the high volatility of the markets during the confirmation process the price may change, and the Company has the right to offer the Client a new price. In the event the Company offers the Client a new price the Client can either accept the new price and execute the transaction or refuse the new price, thus cancel the execution of the transaction;

11.9. The Client, using electronic access, can give only the following orders of trading character:

- i. OPEN – to Open a Position;
- ii. CLOSE – to Close an Open Position;
- iii. To add, remove; edit orders for Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, and Sell Stop.

Any other Orders are unavailable and are automatically rejected. The confirmed Open or Closed position cannot be cancelled by the Client;

11.10. Orders can be placed, executed, changed or removed only within the operating (trading) time and shall remain effective through the next trading session. The Client's Order shall be valid in accordance with the type and time of the given Order, as specified. If the time of validity of the Order is not specified, it shall be valid for an indefinite period;

11.11. The Company shall not be held responsible or liable in the case of delays or other errors caused during the transmission of Orders via computer;

11.12. A Corporate Event (“**the Corporate Event**”) are the declarations by the issuer of the Financial Instrument of the terms of any of the following but not limited to:

- i. A subdivision, consolidation or reclassification of shares, a share buy-back or cancellation, or a free distribution of shares to existing shareholders by way of a bonus, capitalization or similar issue;
- ii. a distribution to existing holders of the underlying shares of additional shares, other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the issuer equally proportionately with such payments to holders of the underlying shares, or securities, rights or warrants granting the right to a distribution of shares or to purchase, subscribe or receive shares, in any case for payment (in cash or otherwise) at less than the prevailing market price per share as determined by the Company;
- iii. Any other event in respect of the shares analogous to any of the above events or otherwise having a diluting or concentrating effect on the market value of the shares.

11.13. The Company reserves the right to change the opening/closing price (rate) and/or size and/or number of the related transaction (and/or the level and size of any Sell Limit, Buy Limit, Sell Stop, Buy Stop order) in case of any Underlying Asset of the Financial Instrument becomes subject to

possible adjustment as the result of any event set out in clause 11.12 above. This operation is applied exclusively to securities and has a meaning to preserve the economic equivalent of the rights and obligations of the parties under that transaction immediately prior to that Corporate Event. All actions of the Company according to such adjustments are conclusive and binding upon the Client. The Company shall inform the Client of any adjustment as soon as reasonably practicable;

11.14. While a Client has any open positions on the ex-dividend day for any of the Financial Instruments, the Company reserves the right to proceed with the closure of such positions at the last price of the previous trading day and open the equivalent volume of the underlying security at first available price after the market movement, on the ex-dividend day. In this case, the Company has to inform the Client by releasing an announcement on the Website about the possibility of such actions, not later than the closing of the trading session prior to the ex-dividend day.

11.15. The Company reserves the right, at its sole discretion; to disable the Client from opening any new positions on the ex-dividend day or prior to the ex-dividend day. In case of any unjustified profit, generated from ex-dividend activity, the Company reserves the right and without giving a prior notice to the Client to re-adjust the profit (i.e. remove the profit);

11.16. Orders: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop on Financial Instruments are executed at the declared by the Client price on the first current price touch. The Company reserves the right not to execute the Order, or to change or to revert the opening (closing) price of the transaction in case of the technical failure of the Platform, reflected financial tools quotes feed, and also in case of other technical failures;

11.17. Under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, and Sell Stop) on any Financial Instrument at the declared price. In this case, the Company reserved the right, at its sole discretion, to execute the order or change the opening (closing) price of the transaction at a first available price;

Events that might cause the above mentioned actions on behalf of the Company are considered to be the following, (the list is NOT exhausting):

- i. At times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted;
- ii. In the trading session start moments which has as a result, placing a Stop—Loss Order will not necessarily limit the client's losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

11.18. The Client may submit to the Company by electronic mail (e-mail) or in writing or deliver by hand, his objection to the execution or the non-execution or the mode of execution of a transaction and/or Order concluded on his behalf within five Business Days from the conclusion of the transaction. Otherwise, the transaction will be considered valid and binding for the Client;

11.19. At Margin level "Zero" the Company will automatically close all positions at market price;



- 11.20. The Client agrees and acknowledges that all conversations / communications between the Client and the Company shall be recorded on magnetic, electronic and other carriers. The Client further agrees that the Company has the right to use these records as evidence in case any dispute arises between the Company and the Client;
- 11.21. The Company has the right to refuse the Client in the execution of transactions through the telephone line, if the actions of the Client are not clear and/or do not include the following operations: opening position, closing position, changing or removing orders;
- 11.22. In case of Force-Majeure, hacker attacks and other illegal actions against the Server of the Company and/or a suspension of trade in the financial markets concerning Financial Instruments of the Company, the Company may, suspend, or close the Client's positions and request the revision of the executed transactions;
- 11.23. The Quotes appearing on the Client's terminal are based on the quotes received from a Third Party and the Company adds a mark-up. For purposes of trading with the Company, the Client shall refer to the prices of the Company on the Platform;
- 11.24. The Quotes appearing on the Client's terminal are based on the quotes from the Liquidity Provider and are indicative quotes and hence the actual execution price may vary depending on the market conditions. For example, if there is high volatility in the Underlying Market the execution of the Order may change due to execution time and also the Client may ask for price but he will get the first price that will be in the market and this may result in positive or negative Slippage for the Client.
- 11.25. The Client shall not employ any means, electronic or otherwise, including software and/or software-equipped computer or other electronic device for the purpose of automatic trading in his Trading Account. Furthermore, the Client shall not use or allow the use of a computer for the purpose of performing a transaction, in a way that the transaction performed is obstructing and/or interfering with the regular and ordinary carrying out of the said transaction, as this was contemplated by the Company (including but not limited to: expert advice software; auto clickers and other similar software). Whereas the Client wishes to act contrary to the provisions of this paragraph, he must give notice of an application in writing to the Company, and may only act contrary to the provisions of this paragraph where the Company approves the said application;
- 11.26. The Company reserves the right to change the Trading Conditions on its Website at any time. The Client agrees to check the Trading Conditions and the full specification of the Financial Instrument before placing any Order. The minimum volume of the transaction is 10.000 base currency units for FX in PROfit platform and 0,1 lots in MT4 platform. Leverage varies according to the product as shown in the Trading Conditions, available on the Company's website and forming an integral part of this Agreement. At the opening of a Client's Trading Account, the leverage rate is predetermined. The Client may request for a different leverage to be applied to his Trading Account by contacting the Company, and the latter reserves the right to reject the request;
- 11.27. The Company reserves the right to change the Client's Trading Account leverage at its sole discretion, either for a limited time period or on a permanent basis, by informing the Client either by internal

electronic mail (e-mail) and/or in writing by regular mail and/or posting an announcement on the Company's Website;

11.28. The Company has the right at its sole discretion to increase or decrease spreads on Financial Instruments depending on market conditions without any prior notice to the Client;

11.29. The Company has the right not to accept CFD trading in Currency Pairs (Forex Trading), to be determined in its own absolute discretion, 2 minutes before and after a Critical News Release;

11.30. The Client is prohibited from performing Scalping Trades. The Company reserves the right to cancel any trades that have been closed within the two (2) minute limit, and has the right to act according to clause 24.4(v) of this Agreement;

## 12. Refusal to Execute Orders

12.1. The Client acknowledges and accepts that the Company shall have the right, to refuse to execute any Order, amongst others in any of the following cases:

- i. Whenever the Company deems that the execution of the Order aims at or may aim at manipulating the market of the Underlying Assets, constitutes an abusive exploitation of privileged confidential information (insider trading); contributes to the legislation of proceeds from illegal acts or activities (money laundering); affects or may affect in any manner the reliability or smooth operation of the Platform;
- ii. In calculating the said available funds, all funds required to meet any of the Client's obligations include, but without limitation, obligations which may arise from the possible execution of other previously registered purchase Orders, which will be deducted from the cleared funds deposited with the Company;
- iii. Internet connection or communications are disrupted;
- iv. In consequence of request of regulatory or supervisory authorities of the Republic of Cyprus or a court order or antifraud or anti-money laundering authorities;
- v. Where the legality or genuineness of the Order is under doubt;
- vi. A Force Majeure Event has occurred;
- vii. In an Event of Default of the Client, as stated below in paragraph 13;
- viii. The Company has sent a notice of Termination of the Agreement to the Client;
- ix. The Platform rejects the Order due to trading limits imposed;
- x. Under abnormal market conditions;
- xi. The Client does not hold adequate funds in his Balance for the specific Order.

12.2. In case any Order either to Open or Close a position concerning any Financial Instrument, has been mistakenly accepted and/or executed by the Company, the Company will make every effort to maintain the Client's original position. Any charges, losses or profits incurred from the actions above, will be absorbed by the Company.

## 13. Events of Default

13.1. Each of the following constitutes an "Event of Default":

- a) The failure of the Client to perform any obligation due to the Company;
- b) If an application is made in respect of the Client pursuant to the Cyprus Bankruptcy Act or any equivalent act in another jurisdiction (if the Client is an individual), 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, or if the Client makes an arrangement or composition with the Client's creditors or any procedure which is similar or analogous to any of the above is commenced in respect of the Client;
- c) The Client is unable to pay the Client's debts when they fall due;
- d) Where any representation or warranty made by the Client under this Agreement is or becomes untrue;
- e) The Client (if the Client is an individual) passes away or is declared absent or becomes of unsound mind;
- f) Any other circumstance where the Company reasonably believes that it is necessary or desirable to take any action set out in clause 13.2;
- g) An action set out in clause 13.2 is required by a competent regulatory authority or body or court;
- h) The Company reasonably considers that the Client involves the Company in any type of fraud or illegality or breach of Applicable Regulations or the Company is placed at risk of being involved in any type of fraud or illegality or breach of Applicable Regulations if it continues offering Services to the Client, even when this is not due to the Client's wrongdoing;
- i) The Company reasonably considers that there is a material violation by the Client of the requirements established by legislation of the Republic of Cyprus or other countries having jurisdiction over the Client or his trading activities, such being materiality determined in good faith by the Company;
- j) If the Company suspects that the Client is engaged into money laundering activities or terrorist financing or card fraud or other criminal activities;
- k) The Company reasonably suspects that the Client performed a Prohibited Action, as stated above in Paragraph 9;
- l) The Company reasonably suspects that the Client performed Abusive Trading;
- m) The Company reasonably suspects that the Client opened the Client's Trading Account fraudulently;
- n) The Company reasonably suspects that the Client performed forgery or used a stolen card to fund the Client's Trading Account.

13.2. If an Event of Default occurs the Company may, at its absolute discretion, at any time and without prior written notice, take one or more of the following actions:

- a) Terminate this Agreement immediately without prior notice to the Client.
- b) Cancel any Open Positions;
- c) Temporarily or permanently bar access to the Platform(s) or suspend or prohibit any functions of the Platform(s);
- d) Reject any Order of the Client;
- e) Restrict the Client's trading activity;

- f) In the case of fraud, reverse the funds back to real owner or according to the instructions of the law enforcement authorities of the relevant country or of the Payment Network / Institution;
- g) Cancel or reverse any profits and/or trading benefits and/or bonus gained through Abusive Trading. Losses resulting from Abusive Trading of the Client cannot be reversed.
- h) Take legal action for any losses suffered by the Company;
- i) Block the IP address and/or the trading account of the Client who sends massive requests on the server which may cause delays in the execution time.

## **14. Settlements of Transactions and Reporting**

- 14.1. The Company shall proceed to a settlement of all transactions upon execution of such transactions;
- 14.2. Under Applicable Regulations, the Company shall provide the Client with reporting on his Orders. In order to comply with CySEC Rules in regards to Client reporting requirements, the Company will provide the Client with a continuous online access to the Client's Trading Account via the Platform(s) used by the Client; the Client will be able to see in the Client's Trading Account the status of his Order, confirmation of execution of the Order as soon as possible (including the trading date, time, type of Order, venue identification, instrument identification, the buy/sell indicator, the nature of the Order, the unit quantity, total consideration, total sum of commissions and expenses) his trading history, his Balance and other information. The Client has the right to ask the Company to send reports by electronic mail (e-mail), facsimile or on paper by post;
- 14.3. If the Client has a reason to believe that the confirmation, as per paragraph 14.2, is wrong or if the Client does not receive any confirmation when he should, the Client shall contact the Company five (5) Business Days from the date the Order was sent or ought to have been sent (in the event that a confirmation was not sent). If the Client expresses no objections during this period, the content is considered as approved by him and shall be deemed conclusive.

## **15. Client's Trading Accounts**

- 15.1. The Company shall open one or more Client's Trading Accounts for the Client to allow him to place Orders in particular Financial Instruments;
- 15.2. It is agreed and understood that the types of the different Client's Trading Accounts offered by the Company and the characteristics of such Client's Trading Accounts are found on the Website and are subject to change at the Company's discretion and according to paragraph 23 hereunder;
- 15.3. The Client's Trading Account shall be activated upon the Client depositing the minimum initial deposit, as determined and mended by the Company in its discretion from time to time. The minimum initial deposit may vary according to the type of Client's Trading Account offered to the Client.

## **16. Client Money**

- 16.1. The Company will promptly place any Client money it receives into one or more segregated account(s) with reliable financial institutions chosen by the Company such as a credit institution, or a bank or a qualifying money market fund;
- 16.2. Although the Company takes all reasonable steps and makes such general enquiries from readily available sources about the reliability of the above institutions of clause 16.1., the Company cannot guarantee their financial standing and accepts no responsibility in the event of liquidation, receivership or otherwise failure of such bank or institution which leads to a loss of all or any part of the funds deposited with them;
- 16.3. It is understood that the Company may keep merchant accounts in its name with payment service providers used to settle payment transactions of its Clients. However, it is noted that such merchant accounts are not used for safekeeping of Client money, but only to effect settlements of payment transactions. It is further understood that such payment service providers normally keep percentage of the deposit (as a rolling reserve) for several months. This will not affect the balance of the Client's Trading Account;
- 16.4. The Client funds will at all times be segregated from the Company's own money and cannot be used in the course of its own business. It is understood that the Company may hold Client money and the money of other clients in the same account (omnibus account) within institutions of clause 16.1;
- 16.5. Upon entering into the Agreement, the Client authorizes the Company to credit or debit the Client's Trading Account with profits or losses from trading and other relevant Company charges under the Agreement and make the relevant reconciliations, deposits and withdrawals from the omnibus account on his behalf;
- 16.6. The third party mentioned in clause 16.1 where the Client money is held may have a security interest, lien or right of set-off in relation to that money;
- 16.7. The Company does not have any security interest or lien over the clients' financial instruments or funds or any right to set-off clients' funds or financial instruments;
- 16.8. Client money may be held on the Client's behalf with counterparty within or outside the Republic of Cyprus. The legal and regulatory regime applying to any such counterparty outside the Republic of Cyprus will be different from that of the Republic of Cyprus and in the event of the insolvency or any other equivalent failure of that person, the Client's money may be treated differently from the treatment which would apply if the money was held in a segregated account in the Republic of Cyprus. In the event of the insolvency or any other analogous proceedings in relation to that third party, the Company may only have an unsecured claim against the third party on behalf of the Client, and the Client will be exposed to the risk that the money received by the Company from the third party is insufficient to satisfy the claims of the Client with claims in respect of the relevant account; The Client may notify the Company in writing in case he does not wish his money to be held with a counterparty outside of the Republic of Cyprus;

- 16.9. The Company shall not pay to the Client any interest earned on Client money (other than profit gained through trading Transactions from the Client's Trading Account(s) under this Agreement) and the Client waives all right to interest and consents that the Company will benefit for such an interest earned or 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 Client in any case;
- 16.10. The Company may deposit Client money in overnight deposits and will be allowed to keep any interest.

## **17. Deposits and Withdrawals**

- 17.1. The Client may deposit funds into the Client's Trading Account at any time during the course of this Agreement. Deposits will be made via the methods and in the currencies accepted by the Company from time to time. The detailed information about deposit options is shown on the Website;
- 17.2. The Company shall have the right to request the Client at any time any documentation to confirm the source of funds deposited into the Client's Trading Account. The Company shall have the right to reject a deposit of the Client if the Company is not duly satisfied as to the legality of the source of funds;
- 17.3. If the Client makes a deposit, the Company shall credit the relevant Client's Trading Account with the relevant amount actually received by the Company within two (2) Business Days following the amount is cleared in the bank account of the Company and relevant compliance procedures;
- 17.4. If the funds sent by the Client are not deposited in the Client's Trading Account when they were supposed to, the Client shall notify the Company and request from the Company to make a banking investigation of the transfer. The Client agrees that any charges of the investigation shall be paid by the Client and deducted from the Client's Trading Account or paid directly to the bank performing the investigation. The Client understands and agrees that in order to perform the investigation the Client shall have to provide the Company with the requested documents and certificates;
- 17.5. The Company shall make withdrawals of Client funds upon the Company receiving a relevant request from the Client in the method accepted by the Company from time to time;
- 17.6. Upon the Company receiving a request from the Client to withdraw funds from the Client's Trading Account, the Company shall process the withdrawal request within one (1) Business Day, if the relevant requirements are met:
- a) the withdrawal request includes all required information;
  - b) the request is subject to the right of the Company to require additional information and/or documentation prior to releasing any funds in compliance with the provisions of clause 3.2;
  - c) the request is to make a transfer to the originating account (whether that is a bank account, a payment system account etc.) from which the money was originally deposited

- in the Client's Trading Account or at the Client's request to a bank account belonging to the Client;
- d) the Company, in accordance with Anti-money laundering framework, has been satisfied that the bank and/or credit card account where the transfer is to be made to, belongs to the Client. To this end the Company may request evidence such as bank statements or equivalent;
  - e) at the moment of payment, the Client's Balance is equal to or higher than the amount specified in the withdrawal instruction including all payment charges;
  - f) there is no Force Majeure event which prohibits the Company from effecting the withdrawal.

The Company cannot be held responsible for delays caused by incomplete documentation or the Client Bank's internal procedures.

- 17.7. It is agreed and understood that the Company will not accept third party or anonymous payments in the Client's Trading Account and will not make withdrawals to any other third party or anonymous account. Only in exceptional cases and upon the approval by the relevant compliance department.
- 17.8. The Company reserves the right to reasonably decline a withdrawal request of the Client asking for a specific transfer method and the Company has the right to suggest an alternative;
- 17.9. All payment and transfer charges of third parties will be borne by the Client and the Company shall debit the relevant Client's Trading Account for these charges;
- 17.10. The Client may send the request for internal transfer of funds to another Client's Trading Account held by him with the Company. Such internal transfers shall be subject to the Company's policy from time to time;
- 17.11. Mistakes made by the Company during transfer of funds shall be refunded to the Client. It is understood that should the Client provide wrong instructions for a transfer, the Company may be unable to correct the mistake and the Client may have to suffer the loss.
- 17.12. It is understood that the Client has the right to withdraw the funds which are not used for margin covering, free from any obligations from the Client's Trading Account without closing the said Client's Trading Account;
- 17.13. The Client agrees to pay any incurred bank or other third party payment services provider's transfer fees when withdrawing funds from the Client's Trading Account to his 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 Client's given details are wrong. It is also understood and agreed by the Parties, that the Company accepts no responsibility for any Client unless and until they are deposited into the Company's bank account(s). It is clarified that the Company has not authorised any Client Introducers or other third parties to accept deposits of Client money on its behalf;

- 17.14. The Client agrees that any amounts sent by the Client or on the Client's behalf, will be deposited to the Client's Trading 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 Trading Account, otherwise the Company reserves the right to refund / send back the net amount received to the remitter by the same method as received;
- 17.15. Withdrawals should be made using the same method used by the Client to fund the Client's Trading Account and to the same remitter. The Company reserves the right to request further documentation while processing the withdrawal request or to decline a withdrawal request with a specific payment method and suggest another payment method where the Client needs to proceed with a new withdrawal request. The Company reserves the right if it is not satisfied with any documentation provided by the Client, to reverse the withdrawal transaction and deposit the amount back to the Client's Trading Account;
- 17.16. In the event that any amount received by the Client is reversed by the bank account provider at any time and for any reason, the Company will immediately reverse the affected deposit from the Client's Trading Account and reserves the right to reverse any other type of transactions effected after the date of the affected deposit. It is understood that these actions may result to a negative balance in all or any of the Client's Trading Account(s);
- 17.17. It is understood and accepted by the Client that in case there is a negative balance and there are no open positions on the Client's Trading Account, the Company, reserves the absolute right to manually adjust the Client's Trading Account back to zero (0) accordingly.

## **18. Inactive and Dormant Client's Trading Account(s)**

- 18.1. In case of absence of any trading activity for a period of six months of the Client's Trading Account (i.e. Inactive Trading Account), the Company reserves the right to apply an administrative fee in order to maintain the trading account assuming that the Client's Trading Account has the available funds. The administrative fee shall be announced at the Website under 'Trading Conditions' as this is available at the Company's Website public and available for all Clients. In the event of an Inactive Trading Account for more than one (1) year, the Company reserves the right to terminate the Trading Account as per Clause 24 (Termination of the Agreement).

## **19. Lien**

- 19.1. The Company shall have a general lien on all funds held by the Company or its associates or its nominees on the Client's behalf until the satisfaction of his obligations under this Agreement.



## 20. Netting and Set-Off

- 20.1. If the aggregate amount payable by the Client is equal to the aggregate amount payable by the Company, then automatically the mutual obligations to make payment are set-off and cancel each other;
- 20.2. If the aggregate amount payable by one party exceeds the aggregate amount payable by the other party, then the party with the larger aggregate amount shall pay the excess to the other party and all obligations to make payment will be automatically satisfied and discharged;
- 20.3. The Company has the right to combine all or any Client' Trading Account(s) opened in the Client's name and to consolidate the Balances in such accounts and to set-off such Balances in the event of Termination of the Agreement.

## 21. Company Fees, Taxes and Inducements

- 21.1. The provision of the Services by the Company is subject to payment of fees such as brokerage fees / commissions, Swaps/Rollover and other fees. It is noted that the brokerage fees / commissions are incorporated into the Company's quoted price (Spread). For keeping a position overnight in some types of CFDs the Client may be required to pay or receive financing fees "Swap/Rollover". Spreads and Swap rates appear in the Trading Conditions on the Website and/or Platform. Any additional Company fees (such as account maintenance fees or inactivity fees) appear on the Website and/or Platform. The Company reserves the right to modify, from time to time, the size, the amounts and the percentage rates of its fees as such modification will be published on the Website and/or Platform available and public to all its Clients. Modifications are done under paragraph 23;
- 21.2. The Client shall be solely responsible for all filings, tax returns and reports which should be made to any relevant authority, whether governmental or otherwise, and for payment of all taxes (including but not limited to any transfer or value added taxes), arising out of or in connection with his trading activity with the Company hereunder and shall pay the Company, immediately when so requested by the latter and the Company is entitled to debit the Client's Trading Account(s) with any value added tax or any other tax, contribution or charge which may be payable as a result of any transaction which concerns the Client or any act or action of the Company under the Agreement;
- 21.3. In case the Client fails to pay any amount by the date on which the said amount is payable, the Company shall be entitled to debit the Client's Trading Account(s) with the said amount and in view of covering the aforementioned amount;
- 21.4. By entering into the Agreement, the Client has read and understood and accepted the information under the title "Trading Conditions", that form part of this Agreement, as this information is loaded on the Website public and available for all Clients, in which all related fees are explained;

- 21.5. Should the Company pay or receive any commissions or inducements to or from Introducers, or any other third party these shall not be charged to the Client and the Client's Trading Account(s) balance will not be affected. The Client will be informed of any commissions or inducements paid or received by the Company according to Applicable Regulations;
- 21.6. The Client undertakes to pay all stamp expenses relating to the Agreement and/or any documentation which may be required for the execution of the transactions under the Agreement.

## **22. Company Liability**

- 22.1. The Company shall conclude transactions in good faith and with due diligence but shall not be held responsible or liable for any negligent or wilful or fraudulent act or omission of any person duly authorised by the Client to act on its behalf and give instructions and Orders to the Company;
- 22.2. The Company shall not be held responsible or liable for any loss of opportunity as a result of which the value of the Client's Financial Instruments could increase or for any reduction in the value of the Client's Financial Instruments, regardless of how such decrease may arise, unless to the extent that such loss or reduction is directly due to deliberate omission or fraud by the Company or its employees;
- 22.3. If the Company incurs any claims, damage, liability, costs or expenses, which may arise in relation to the execution or as a result of the execution of the Agreement due to the non-fulfilment of any of the Client's statements contained in the Agreement, it is understood that the Company bears no responsibility whatsoever and it is the Client's responsibility to indemnify the Company;
- 22.4. The Company shall not be held liable for the loss of Financial Instruments and funds of the Client, including the cases where the Client's assets are kept by a third party such as a bank or other financial institution used as a payment provider, or for an act, which was carried out based on inaccurate information at its disposal prior to being informed by the Client, of any change in the said information;
- 22.5. The Company is a member of the Investor Compensation Fund (I.C.F). Depending on the Client Categorisation, the Client may be entitled to compensation from the I.C.F in the event that the Company is unable to meet its obligations. The fact that the Client is a Retail Client does not automatically render him eligible under the I.C.F. More details are found in the Company's document "Investor Compensation Fund".

## **23. Amendments**

- 23.1. The Company may upgrade the Client's Trading Account, convert Client's Trading Account type, upgrade or replace the Platform or enhance the services offered to the Client if it reasonably considers this is to the Client's advantage and there is no increased cost to the Client;
- 23.2. The Company may also change any terms of the Agreement for any of the following reasons:

- a) Where the Company reasonably considers that:
  - the change would make the terms of the Agreement easier to understand; or
  - the change would not be to the disadvantage of the Client.
  
- b) To cover:
  - the involvement of any service or facility the Company offers to the Client; or
  - the introduction of a new service or facility; or
  - the replacement of an existing service or facility with a new one; or
  - the withdrawal of a service or facility which has become obsolete, or has ceased to be widely used, or has not been used by the Client at any time in the previous year, or it has become very expensive for the Company to offer.
  
- c) To enable the Company to make reasonable changes to the Services offered to the Client as a result of changes in:
  - the banking, investment or financial system; or
  - technology; or
  - the systems or Platform used by the Company to run its business or offer the Services hereunder.
  
- d) As a result of a request of CySEC or of any other authority or as a result of change or expected change in Applicable Regulations;
  
- e) Where the Company finds that any term in the Agreement is inconsistent with Applicable Regulations. In such a case, it will not rely on that term but treat it as if it did reflect the relevant Applicable Regulations and shall update the Agreement to reflect the Applicable Regulations.

23.3. As long as the Client is able to end the Agreement without charge, the Company may change any of the terms of the Agreement for any reason not listed under clause 23.2;

23.4. For any change made clauses 23.2. and 23.3., the Company shall provide the Client with advance written notice of at least fifteen (15) Business Days. However, the Client acknowledges that a change which is made to reflect a change of Applicable Regulations may, if necessary, take effect immediately;

23.5. For any change in Agreement, where the Company elects to provide written notice via a post on the Website, the Company shall also provide the said written notice with an additional means of written notice;

23.6. When the Company provides written notice of changes under clauses 23.2 and 23.3 it shall tell the Client the date it comes into effect. The Client shall be treated as accepting the change on that date unless, before then, the Client informs the Company that the Client wishes to terminate the Agreement and not accept the change. The Client shall not have to pay any charges as a result of terminating in this case, other than costs due and payable for Services offered until the termination;

- 23.7. The Company shall have the right to review its costs, fees, charges, commissions, financing fees, swaps, execution rules, roll over and trading times, found on the Website and/or Platform, from time to time. Such changes shall be effected on the Website and /or the Platform and the Client is responsible to check for updates regularly. In the absence of a Force Majeure event, the Company shall be providing the Client with advance notice on its Website of at least fifteen (15) Business Days. The Client shall be treated as accepting the change on that date unless, before then, the Client informs the Company that the Client wishes to terminate the Agreement and not accept the change. The Client shall not have to pay any charges as a result of terminating in this case, other than costs due and payable for Services offered until the termination.
- 23.8. The Company shall have the right to review the Client's Categorization, according to Applicable Regulations and inform the Client accordingly of the change before it comes into effect, by providing the Client with advance notice of at least five (5) Business Days. Notwithstanding clause 23.1, changing the Client's Categorization may also mean changing the type of Client's Trading Account. The Client shall be treated as accepting the change on that date unless, before then, the Client informs the Company that he wishes to terminate the Agreement and not accept the change.

## **24. Termination of the Agreement**

- 24.1. The Client has the right to terminate this present Agreement by giving the Company at least seven (7) days written notice, specifying the date of termination in such, on the condition that in the case of such termination, all pending transactions on behalf of the Client shall be completed;
- 24.2. The first day of the Client's notice shall be deemed to be the date such notice has been received by the Company;
- 24.3. The Company may terminate the Agreement by giving the Client at least 14 Days written notice, specifying the date of termination in such;
- 24.4. The Company may terminate the Agreement immediately without giving 14 days' notice in the following case:
- i. In an Event of Default of the Client;
  - ii. Death of the Client;
  - iii. If any application is made or any order is issued or a meeting is convened or a resolution is approved or any measures of bankruptcy or winding up of the Client are taken;
  - iv. Such termination is required by any competent regulatory authority or body;
  - v. The Client violates any provision of this Agreement and in the Company's opinion, the Agreement cannot be implemented;
  - vi. The Client violates any law or regulation to which he is subject, including but not limited to, laws and regulations relating to exchange control and registration requirements;
  - vii. The Client involves the Company directly or indirectly in any type of fraud;
  - viii. The Client is not acting in good faith and the Company has grounds to believe that the Client's trading activity affects in any way the reliability and/or operation of the Company;
  - ix. An unauthorised person is trading on behalf of the Client;

- 24.5. The termination of this Agreement shall not in any case affect the rights which have arisen, existing commitments or any contractual provision which was intended to remain in force after the termination and in the case of termination, the Client shall pay:
- i. Any pending fee of the Company and any other amount payable to the Company;
  - ii. Any charge and additional expenses incurred or to be incurred by the Company as a result of the termination of the Agreement;
  - iii. Any damages which arose during the arrangement or settlement of pending obligations.
- 24.6. Once notice of termination of this Agreement is sent and before the termination date:
- a) the Client will have an obligation to close all his Open Positions. If he fails to do so, upon termination, the Company will close any Open Positions;
  - b) the Company will be entitled to cease to grant the Client access to the Platform(s) or may limit the functionalities the Client is allowed to use on the Platform(s);
  - c) the Company will be entitled to refuse to accept new Orders from the Client;
  - d) the Company will be entitled to refuse to the Client to withdraw money from the Client's Trading Account and the Company reserves the right to keep Client's funds as necessary to close positions which have already been opened and/or pay any pending obligations of the Client under the Agreement.
- 24.7. Upon Termination any or all the following may apply:
- a) The Company has the right to combine any Client's Trading Account(s), to consolidate the Balances in such Client's Trading Account(s) and to set off those Balances;
  - b) The Company has the right to close the Client's Trading Account(s);
  - c) The Company has the right to convert any currency;
  - d) The Company has the right to close the Client's Open Positions;
  - e) The Company has the right to cease to grant the Client access to the Platform, including trading, depositing and opening new positions;
  - f) In absence of illegal activity or suspected illegal activity or fraud of the Client or instructions from the relevant authorities, if there is Balance in the Client's favour, the Company will (after withholding such amounts that in the Company's absolute discretion considers appropriate in respect of future liabilities) pay such Balance to the Client as soon as reasonably practicable and supply him with a statement showing how that Balance was arrived at and, where appropriate, instruct any Nominee and/or any Custodian to also pay any applicable amounts. Such funds shall be delivered in accordance to the Client's instructions to the Client. It is understood that the Company will effect payments only to an account in the name of the Client. The Company has the right to refuse, at its discretion, to effect third party payments.
- 24.8. Upon termination of this Agreement, the Company shall immediately hand over to the Client the Client's assets in its possession, provided that the Company shall be entitled to keep such Client's assets as necessary to close positions which have already been opened and/or pay any pending obligations of the Client, including, without limitation, the payment of any amount which the Client owes to the Company under this Agreement.

## 25. Acknowledgement of Risks

- 25.1. The Client unconditionally acknowledges and accepts that, regardless of any information which may be provided by the Company, the value of any investment in Financial Instruments may fluctuate downwards or upwards and it is even probable that the investment may become of no value;
- 25.2. The Client unconditionally acknowledges and accepts that he runs a great risk of incurring losses and damages as a result of the purchase and/or sale of any Financial Instrument and unconditionally accepts and declares that he is willing to undertake this risk;
- 25.3. The Client declares that he has read, comprehends and unconditionally accepts the following:
- i. Information of the previous performance of a Financial Instrument does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the Financial Instruments to which the said information refers;
  - ii. Some Financial Instruments may not become immediately liquid as a result e.g. of reduced demand and the Client may not be in a position to sell them or easily obtain information on the value of these Financial Instruments or the extent of the associated risks;
  - iii. When a Financial Instrument is traded in a currency other than the currency of the Client's country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance;
  - iv. A Financial Instrument on foreign markets may entail risks different to the usual risks of the markets in the Client's country of residence. In some cases, these risks may be greater. The prospect of profit or loss from transactions on foreign markets is also affected by exchange rate fluctuations;
  - v. The Financial Instruments offered by the Company are a non-delivery spot transaction and CFD Contract giving an opportunity to trade on changes in currency rates, commodities, stock market indices or share prices called the underlying instrument;
  - vi. The value of the Financial instruments is directly affected by the price of the security or any other underlying asset which is the object of the acquisition;
  - vii. The Client should not purchase Financial Instruments unless he is willing to undertake the risks of losing entirely all the money which he has invested and also any additional commissions and other expenses incurred.
- 25.4. The Client acknowledges and accepts that there may be other risks which are not contained in this Paragraph 25 and has read and accepted all information under the titles "General Risk Disclosure" as this information is loaded on the Company's webpage public and available to all Clients.

## 26. Conflicts of Interest

- 26.1. The Company declares that it takes all necessary measures, where possible, in order to anticipate or solve any conflicts of interest between, on the one hand itself and its associated persons and

Clients and on the other hand, between its Clients. In any case, the Company draws the Client's attention to the following possibilities of a conflict of interest:

- a) The Company and/or any associated company and/or any company which is a member of the group of companies to which the Company belongs to and/or any natural person related to the Company, might:
  - i. Be providing other services to associates or other Clients of the Company who may have interests in Financial Instruments or Underlying Assets, which are in conflict or in competition with the Client's interests;
  - ii. Be an issuer of the Financial Instruments in which the Client wishes to conclude a transaction;
  - iii. Act on its behalf and/or for another Client as purchaser and/or seller and may have an interest in the Financial Instruments of the issuer in which the Client wishes to conclude a transaction;
  - iv. Act as an Agent, and/or have any trading or other relationship with any issuer;
  - v. Pay a fee to third persons who either recommended the Client to the Company or who mediated in any way so that the Client's Orders are forwarded to the Company for execution;
  - vi. Have an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome;
  - vii. Have distinct interests than the interests of the Client in case where other members of the Group provide services to the Company (e.g. Liquidity Provider).
  
- b) The Company may be matching the Client's orders with that of another Client by acting on such other Client's behalf as well as on the Client's behalf.

26.2. The Client has read and unconditionally accepts the "Conflict of Interest Policy" the Company has adopted, as this policy is mentioned in detail on the Website public and available to all Clients.

## **27. Personal Data, Confidentiality, Recording of Telephone Calls and Records**

- 27.1. The Company may collect Client information directly from the Client (in his completed Registration Form or otherwise) or from other persons including, for example, the credit reference agencies, fraud prevention agencies, banks, other financial institutions, third authentication service providers and the providers of public registers;
- 27.2. Other than in connection with the provision, administration and improvement of the Services, anti-money laundering and due diligence checks, for research and statistical purposes and for marketing purposes, information already in the public domain or already possessed by the Company without a duty of confidentiality, will not be regarded as confidential;
- 27.3. The Company has the right to disclose Client information (including recordings and documents of a confidential nature, card details) in the following circumstances:
  - a) Where required by law or a court order by a competent Court;

- b) Where requested by CySEC or any other regulatory authority having control or jurisdiction over the Company or the Client or their associates or in whose territory the Company has Clients;
- c) To relevant authorities to investigate or prevent fraud, money laundering or other illegal activity;
- d) To such an extent as reasonably required so as to execute Orders and for purposes ancillary to the provision of the Services;
- e) To credit reference and fraud prevention agencies, third authentication service providers, banks and other financial institutions for credit checking, fraud prevention, anti-money laundering purposes, identification or due diligence checks of the Client. To do so they may check the details the Client supplied against any particulars on any database (public or otherwise) to which they have access. They may also use Client details in the future to assist other companies for verification purposes. A record of the search will be retained by the Company;
- f) To the Company's professional advisors provided that in each case the relevant professional shall be informed about the confidential nature of such information and commit to the confidentiality herein obligations as well;
- g) To other service providers who create, maintain or process databases (whether electronic or not), offer record keeping services, email transmission services, messaging services or similar services which aim to assist the Company collect, storage, process and use Client information or get in touch with the Client or improve the provision of the Services under this Agreement;
- h) To a Trade Repository or similar under the *Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties (CCPs) and trade repositories (TRs)*(EMIR);
- i) To other service providers for statistical purposes in order to improve the Company's marketing, in such a case the data will be provided in an aggregate form;
- j) To market research call centers that provide telephone or electronic mail (e-mail) surveys with the purpose to improve the services of the Company, in such a case only the contact details data will be provided;
- k) Where necessary in order for the Company to defend or exercise its legal rights to any court or tribunal or arbitrator or Ombudsman or governmental authority;
- l) At the Client's request or with the Client's consent;
- m) To an Affiliate of the Company or any other company in the same group of the Company.
- n) To permitted successors or assignees or transferees or buyers, with fifteen (15) Business Days prior written notice to the Client;
- o) Client Information is disclosed in relation to US taxpayers to the Inland Revenue in the Republic of Cyprus, which will in turn report this information to the Internal Revenue Service (IRS) of the U.S. according to the Foreign Account Tax Compliance Act (FATCA) of the USA and the relevant intergovernmental agreement between the Republic of Cyprus and the U.S.

27.4. If the Client is a natural person, the Company will use, store, process and handle personal information provided by the Client in connection with the provision of the Services, in accordance the *Processing of Personal Data (Protection of the Individual) Law of 2001*, as amended, and the



Company is obliged to supply the Client, on request, with a copy of personal data which it holds about the Client (if any), provided that the Client pays an administrative fee;

- 27.5. By entering into this Agreement, the Client will be consenting to the transmittal of the Client's personal data outside the European Economic Area, according to the provisions of Processing of *Personal Data (Protection of the Individual) Law of 2001* for the reasons specified in paragraph 27.3;
- 27.6. Telephone conversations between the Client and the Company may be recorded and kept by the Company and recordings will be the sole property of the Company. The Client accepts such recordings as conclusive evidence of conversations so recorded;
- 27.7. The Client accepts that the Company may, for the purpose of administering the terms of the Agreement, from time to time, make direct contact with the Client;
- 27.8. The Client accepts that the Company or any Affiliate of the Company or any other company in the same group of the Company may make contact with the Client, from time to time, by telephone, facsimile, electronic mail (e-mail) or post for marketing purposes to bring to the Client's attention products or services that may be of interest to him/her or to conduct market research.
- 27.9. Under Applicable Regulations, the Company will keep records containing Client personal data, trading information, Client's Trading Account(s) opening documents, communications and anything else which relates to the Client for at least five (5) years after termination of the Agreement.

## **28. Information Provided by Third Parties**

- 28.1. The Company's Website, Platform(s), electronic mails (e-mails), text messages (sms), phone calls and/or any other method of communication with the Client(s), provide content, third party services and / or links to websites, controlled and / or offered exclusively by third parties, which are provided ONLY as a convenience to the Company's Clients;
- 28.2. The Company hereby declares that any third party information is being forwarded to the Company's Clients without limitation and without any amendment on behalf of the Company. All Clients receive the same third party information. Furthermore the Company declares that the third party information is being forwarded without going through any method of process and/or analysis and/or editing;

The Company shall not be responsible for any loss, damage, cost or expense of any nature whatsoever (including without limitation of a direct, indirect or consequential nature, any economic, financial loss or any other loss, or loss of turnover, profits, business or goodwill) which was incurred or suffered by third party sites and / or services and/ or any kind of information provided by a third party to clients as a convenience via Company's website, platforms, e-mails, text messages (sms), phone calls and/ or any other method of communication with the clients.

- 28.3. The information should not be construed as containing investment advice or an investment recommendation or, an offer of or solicitation for any transactions in financial instruments;
- 28.4. The Company does not explicitly or implicitly endorse or approve any products, content, information or services offered by any third party;
- 28.5. The Company does not guarantee the accuracy, suitability, completeness or practicality of any information and / or services provided by a third party. Information and / or services provided by a third party are ONLY information and the Company SPECIFICALLY DISCLAIMS any liability. Clients using third party services (including but not limited to websites and / or information and / or services) USE THEM AT THEIR OWN RISK;
- 28.6. By entering into the present Agreement, the Client has read and understood and accepted the information under the title "Third Party Disclaimer" as this information is loaded on the Website public and available for all Clients.

## 29. Notices

- 29.1. Unless the contrary is required by the Company, any notice, instructions, authorizations, requests and or other communication between the Client and the Company under this Agreement, shall be taking place mainly via electronic mail (e-mail). However, in case where the Client does not wish to use the electronic mail (e-mail), he might communicate in writing either via facsimile on the +357 22 766 333 or via registered post. Any letter must be sent to the Company's registered mailing address which appears on the first page of the Agreement or to any other address which the Company may from time to time specify to the Client. In this last case, the notice, instructions, authorizations, requests and/or any other communication, shall take effect once the letter is received by the Company and not in any prior period;
- 29.2. The Client hereby acknowledges and accepts that the Company shall use the electronic mail's address he/she provided upon completion of the Registration Form for any communication based on Clause 29.1 above. The Client further accepts that he shall inform the Company immediately in case of an additional electronic mail (e-mail) address;
- 29.3. The Company reserves the right to specify any other way of communication with the Client;
- 29.4. The Company shall accept withdrawal requests directly from the Platform of the Client. The Client however may be requested to provide further documentation in order to comply with the Company's withdrawal procedures. The Company reserves the right not to accept withdrawal requests from the Platform and to ask the Client to submit the relevant withdrawal request form which can be found in the Website in writing along with any further document might be necessary in order to proceed with the request;
- 29.5. The Company may, at any time, assign and/or transfer to any legal or natural person any of its rights and/or obligations as they arise or are provided for in this present Agreement.

### 30. Trading Benefits

- 30.1. The Company reserves the right to provide its Clients with trading benefits from time to time.
- 30.2. Notification of such trading benefits as well as the terms and conditions that govern these shall be posted on the Website. It is understood that trading benefits are optional and the Client has to expressly opt in and accept the trading benefit's terms and conditions, in order for the Company to grant the trading benefit;
- 30.3. The Client acknowledges that any trading benefit that the Company promotes will be subject to the following basic conditions:
- a) Volume: the Client's Trading Account must achieve five thousand (5,000) times the total of the deposit amount and the trading benefit, in order to be able to withdraw the trading benefit;
  - b) The Company defines Volume in regards to bonus promotions as the total U.S Dollar value of all closed positions ("leg");
  - c) In the following events the bonus will be removed from the Client's Trading Account(s):
    - i. The Client has no remaining margin available in the Client's Trading Account(s);
    - ii. The Client's Trading Account(s) has been closed by the Compliance Department due to a material breach of the Agreement.
  - d) Where the Client withdraws prior to completion of the trading benefit volume, the Company reserves the right to remove and/or adjust the allocated trading benefit according to the Client net deposit (=Deposit minus Withdrawals);
  - e) Where a Client's Trading Account reaches a negative balance and has no open positions prior to the completion of the trading benefit volume, the Company will withdraw the trading benefit and adjust the Client's Trading Account to zero;
  - f) If a Client has a negative balance and any open positions and wishes to deposit, he/she undertakes to cover all negative balances when depositing. If the Client does not wish to cover the negative balance, he must close all open positions and inform the Company, by contacting Support, in order for the Company to adjust the balance of the Client's Trading Account to zero;
  - g) Any losses resulting from the Client's transactions will always be deducted first from the Client's withdrawable equity and only after the withdrawable equity reaches Zero (0) the losses will be deducted from the trading benefit;
  - h) The Client is able to withdraw any profits, without any conditions.
- 30.4. The Client acknowledges and accepts that any trading benefit given to the Client by the Company shall be visible on the Platform and/or by any other appropriate mean distinct from the Client's withdrawable equity.

## 31. Complaint Handling Procedure

- 31.1. Any Complaints shall be addressed to the Compliance Department at [complaints@fxgm.eu](mailto:complaints@fxgm.eu) which is an independent department within the Company. The Compliance Department shall investigate the complaint and revert to the Client within a maximum period of four (4) weeks.
- 31.2. The Client agrees to check the “Complaint Handling Procedure” the Company has adopted, as this procedure is mentioned in detail on the Website public and available to all Clients.

## 32. General Provisions

- 32.1. The Client acknowledges that no representations were made to him by or on behalf of the Company which have in any way incited or persuaded him to enter into this Agreement;
- 32.2. If the Client is more than one person, the Client’s obligations under the Agreement shall be joint and several and any reference in the Agreement to the Client shall be construed, where appropriate, as reference to one or more of these persons. Any warning or other notice given to one of the persons which form the Client shall be deemed to have been given to all the persons who form the Client. Any Order and/or Instruction given by one of the persons who form the Client shall be deemed to have been given by all the persons who form the Client;
- 32.3. In case any provision of the Agreement is or becomes, at any time, illegal and/or void and/or non-enforceable in any respect, in accordance with a law and/or regulation of any jurisdiction, the legality, validity or enforceability of the remaining provisions of the Agreement or the legality, validity or enforceability of this provision in accordance with the law and/or regulation of any other jurisdiction, shall not be affected;
- 32.4. All transactions on behalf of the Client shall be subject to Applicable Regulations which govern the establishment and operation of the Cyprus Investment Firms. The Company shall be entitled to take or omit to take any measures which it considers desirable in view of compliance with the Applicable Regulations. Any such measures as may be taken and all the Applicable Regulations in force shall be binding for the Client;
- 32.5. The Client shall take all reasonably necessary measures (including, without prejudice to the generality of the above, the execution of all necessary documents) so that the Company may duly fulfil its obligations under this present Agreement;
- 32.6. The location of detailed information regarding the execution and conditions for the investment transactions in Financial Instruments Markets conducted by the Company, following the present Terms and Conditions, and also the other information regarding activity of the Company are accessible and addressed to any natural persons and legal entities at the Website;
- 32.7. The Client accepts and understands that the Company’s official language is the English language and should always read and refer to the Website for all information and disclosures about the

Company, its policies and its activities. It is understood that the Company reserves the right to register and operate other relevant domains (websites) for marketing and promotional purposes to specific countries, which contain information and disclosures to clients and prospective clients in any language other than the English language;

32.8. The Company may at any time sell, transfer, assign or novate to a third party any or all of its rights, benefits or obligations under this Agreement or the performance of the entire Agreement subject to providing fifteen (15) Business Days prior written notice to the Client. This may be done without limitation in the event of merger or acquisition of the Company with a third party, reorganisation of the Company, winding up of the Company or sale or transfer of all or part of the business or the assets of the Company to a third party;

32.9. It is agreed and understood that in the event of transfer, assignment or novation described in clause 32.8 above, the Company shall have the right to disclose and/or transfer all Client Information (including without limitation personal data, recording, correspondence, due diligence and client identification documents, files and records, the Client trading history) transfer the Client's Trading Account and the Client Money as required, subject to providing fifteen (15) Business Days' notice;

32.10. The Client may not transfer, assign, charge, novate or otherwise transfer or purport to do so the Client's rights or obligations under the Agreement.

### **33. Applicable Law, Jurisdiction**

33.1. This present Agreement shall be governed by, interpreted and construed in accordance with the Laws of the Republic of Cyprus. Any disputes arising out of or in connection with this present Agreement which are not friendly solved by mutual agreement, shall be settled in the Courts of the Republic of Cyprus;

33.2. It is agreed by both Parties that in the event that any of the Terms and Conditions of this Agreement, is to be proven in whole or in part contradictive to any Cyprus Laws and/or Regulations, then this term will be immediately null and void without influencing validity of the rest of the Agreement.

### **34. Restrictions on Use**

34.1. The Service is not intended for any person:

- a) who is under the age of 18 years old or is not of legal competence or of sound mind;
- b) who resides in any country where such distribution or use would be contrary to local law or regulation. It is the Client's responsibility to ascertain the terms of and comply with any local law or regulation to which he/she is subject;

### **35. Client Declaration**

35.1. The Client solemnly declares that:

- i. He has carefully read and fully understood and accepted the entire text of the above Terms and Conditions and Appendices with which he fully and unconditionally agrees;
- ii. He has read and went through all information provided on the internet regarding the Company, its Services offered, relevant fees and costs, Order and Execution Policy, Client Categorisation, Investor Compensation Fund, Conflict of Interest Policy, General Risk Disclosure and risk disclosure on financial instruments and has found all relevant information up to standards;
- iii. He consents and agrees to direct advertising through cold calling, either by phone or personal representation, facsimile, automatic calls, electronic mail (e-mail) or other phone, electronic or digital means by the Company;
- iv. He is over 18 and to the best of his knowledge and belief, the information provided in Registration Form and any other documentation supplied in connection with the application form, is correct, complete and not misleading and he will inform the Company of any changes to the details or information entered in the Registration Form;
- v. He accepts that any orders he will place with the Company for the Financial Instrument offered by the Company, the Company will act as an Agent and not as a Principal on the Client's behalf. The sole Execution Venue for the execution of his orders is Forex Capital Trading Pty (Forex CT) Ltd. The Client accepts and acknowledges that Forex Capital Trading Pty (Forex CT) Ltd does not operate as a Regulated Market or a Multilateral Trading Facility (MTF);
- vi. He has chosen the investment amount, taking his total financial circumstances into consideration which he considers reasonable under such circumstances;
- vii. Whatever money handed over to the Company, it is agreed that it belongs exclusively to the Client, free of any lien, charge, pledge and/or any other encumbrance, being no direct or indirect proceeds of any illegal act or omission or product of any criminal activity;
- viii. The Client acts for himself and not as a representative or a trustee of any third person, unless he has produced, to the satisfaction of the Company, a document and/or power of attorney enabling him to act as representative and/or trustee of any third person;
- ix. The Client understands, accepts and agrees that the Company reserves the right to refund/return to the remitter (or beneficial owner) any amounts received under sections (i) and (ii) of this clause, having sufficient proof that these amounts are direct or indirect proceeds of any illegal act and/or omission and/or product of any criminal activity and/or belong to a third party and the Client has not produced sufficient excuse and/or explanations for that event, and consents that the Company may reverse all and any types of previous transactions performed by the Client in any of his Client's Trading Accounts and terminate the Agreement under Clause 24.4. The Company reserves the right to take all and any legal actions against the Client to cover itself upon such an event and claim any damages caused directly or indirectly to the Company by the Client as a result of such an event;
- x. The Client guarantees the authenticity and validity of any document handed over by the Client to the Company;
- xi. He has regular access to the internet and consents to the Company providing him with the documents which form the Agreement, any amendments or fees or to the costs or to the Contract Specifications or the Products and Services offered or Financial Instruments offered or the characteristics of Client's Trading Account(s) and about the nature and



risks of investments by posting such documents, amendments and information on the Website or the Platform or by sending an electronic mail (e-mail). The Client further consents to the provision of trade reporting by means of a Platform. Should the Client wish, he may request for these to be sent by electronic mail (e-mail), facsimile or on paper by post.

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[Signature]

Depaho Ltd

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[Signature]

Witnessed by:

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[Signature]

Client

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[Signature]

Witnessed by:



**DEPAHO LIMITED**

**ORDER EXECUTION POLICY**





## Introduction

Depaho Ltd. operating through the brand name of FXGM (hereinafter called the “Company”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (license number 161/11). The Company has also been authorized by the Financial Services Board in South Africa (“FSB”) under authorization no. 47709. Following the implementation of the Markets in Financial Instruments Directive (MiFID) in the European Union and in accordance with the Investment Services and Activities and Regulated Markets Law of 2007 (Law 144(I)/2007) as this is amended from time to time, in Cyprus, the Company is required to provide its Clients and potential Clients with its Order Execution Policy (hereinafter the “Policy”).

Under the above legislation, the Company is required to take all reasonable steps to obtain the best possible result (or “best execution”) on behalf of its Clients either when executing Client orders or receiving and transmitting orders for execution. These rules require firms to put in place an execution policy which sets out how it will obtain best execution for its Clients and to provide appropriate information to its Clients on its order execution policy.

The present Policy forms part of the agreement. The Clients, by entering into an agreement with the Company, are also agreeing to the terms and conditions of the present order execution policy, as set out in this document.

## Scope and Services

The Policy is effective from 1st November 2007 and applies to retail and professional Clients. This Policy applies when receiving and transmitting Client orders and/or executing Client orders for the financial instruments provided by the Company. The financial instruments provided by the Company are derivatives of an underlying financial instrument, and it is up to the Company’s sole discretion to decide which types of financial instruments to make available and to publish the prices at which these can be traded. In relation to individual transactions in Contract for Differences (“CFDs”) with the Execution Venue, the Company always acts as an agent (acting on behalf of the Clients). The Counterparty (or principal) to every trade is always Forex Capital Trading Pty Ltd., hereinafter “FXCT” (Australian Financial Services License No. 306400); therefore if the Client decides to open a position in a financial instrument with FXCT, then that open position can only be closed with FXCT. The Client is given the option to place with the Company the following orders for execution in the following ways:

- The Client places a “market order” which is an order instantly executed against a price that the Company has provided from FXCT (the execution venue). The Client may attach to a market order a Stop Loss and/or Take Profit. Stop Loss is an order to limit Client’s loss, whereas Take Profit is an order to limit Client’s profit. The Client may enter, cancel or modify the Stop Loss and/or Take Profit of an open position at any given moment. Once the position has been closed the Client cannot alter the Stop Loss and Take Profit levels.
- The Client places a “pending order”, which is an order to be executed at a later time at the price that the Client specifies. The Company will monitor the pending order and when the price provided by the Company reaches the price specified by the Client, the order will be executed at that price. The following types of pending orders are available: Buy Limit, Sell Limit, Buy Stop and Sell Stop. The Client may attach to any pending order a Stop Loss and/or Take Profit. The Client may modify an order before it is executed. Once the position has been closed the Client cannot alter the Stop Loss and Take Profit levels. The Client has no right to change or remove Stop Loss, Take Profit and Pending Orders if the price has reached the level of the execution. When a Client uses a Stop Loss and Take Profit for the same order, the relationship between the two orders will be OCO (One Cancels the Other); i.e. when the Stop Loss level is reached the Take Profit order will be automatically cancelled and vice versa.



## Best Execution

The Company shall take all reasonable steps to obtain the best possible result for its Clients taking into account the following factors when executing Clients orders against the Company's quoted prices:

- 1. Price:** For any given financial instrument the Company will quote two prices: the higher price (ASK) at which the Client can buy (i.e. go long) that financial instrument, and the lower price (BID) at which the Client can sell (i.e. go short) that financial instrument; collectively they are referred to as the Company's price. The difference between the lower (BID) and the higher (ASK) price of a given financial instrument is the spread. Short positions will be closed at the ASK price (whether the transaction is closed manually by the Client or through the Stop Loss or Take Profit). Long positions will be closed at the BID price (whether the transactions are closed manually by the Client or through the Stop Loss or Take Profit). The Company's price for a given financial instrument is calculated by reference to the price of the relevant underlying financial instrument, which the Company obtains from third party external reference sources.

The Company's prices are constructed with reference to the given financial instrument list, which can be found on the Company's main website under the section "Trading Conditions" available to all Clients. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its used third party external reference sources at least once a year, to ensure that the data obtained continue to be competitive. The Company will not quote any price outside Company's operations time (see execution venue below) therefore no orders can be placed by the Client during that time.

- 2. Orders:** Buy Stop, Sell Stop, Buy Limit, Sell Limit, Take Profit, Stop Loss, on financial instruments contracts are executed at the price specified by the Client on the first current price touch. However, under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop) on any financial instrument contract at the declared price. In this case the Company has the right to execute the order at the next best available price. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted, trading session start moments, during volatile markets where prices may be moving significantly up or down and away from declared price and during news time. Another example is when the market opens after the weekend at a different price from the time of closure thus causing a pricegap.

The Company strives to provide the best possible price to its clients, and makes every effort and necessary arrangements to do so; however, it may be impossible to guarantee the execution of any or all of the pending orders at the declared price.

- 3. Costs:** For opening a position in some types of financial instruments the Client may be required to pay commission or financing fees, the amount of which is disclosed in the Trading Conditions in the Company's website. Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amount.

In the case of financing fees, the value of opened positions in some types of financial instruments is increased or reduced by a daily financing fee "swap" throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the financial instruments, under Trading Conditions on the Company's website.



For all types of financial instruments that the Company offers, the commission and financing fees are not incorporated into the Company's quoted price and are instead charged/paid explicitly to the Client's Trading Account.

- 4. Speed of Execution:** As it is explained in the Execution Venue section of this Policy, the Company acts as an agent and not as a principal on the Client's behalf, therefore, the Company's sole Execution Venue for the execution of the Client's orders for financial instruments is FXCT. The Company places a significant importance when executing Client's orders and strives to offer high speed of execution within the limitations of technology and communications links. The use of any form of unstable internet connection may result in delays in the transmission of data between the Client and the Company when using the Company's electronic trading platform. The delay might result in sending to the Company out of date "market orders" which might be declined by the Company or request from the Client to retry to submit the order.

If the Client undertakes transactions on an electronic system, he/she will be exposed to risks associated with the system including the failure of hardware and software (Internet/Servers). The result of any system failure may be that the order is either not executed according to the instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure. The use of wireless connection or dial-up connection or any other form of unstable connection at the Client's end, may result in poor or interrupted connectivity or lack of signal strength causing delays in the transmission of data between the Client and Company when using the Company's Electronic Trading Platform. This delay may result in sending to the Company out of date "market orders" which might be declined by the Company.

The Client may request the Company to execute upon receipt instructions conveyed by telephone, facsimile, e-mail or any other written or verbal means of communication that each of the present and future account holders, attorneys and duly authorized representatives shall give individually to the Company, even if these instructions are not followed by a confirmation in writing. The Company does not accept any liability in case of a misunderstanding, error in the identification of the person giving the instruction or other errors on its part related to such method of communication and which may involve losses or other inconveniences for the Client. The Company reserves the right not to execute instructions transmitted by telephone or facsimile. Telephone conversations may be recorded and you will accept such recordings as conclusive and binding evidence of the instructions.

- 5. Likelihood of Execution:** As it is explained in the Execution Venue section of the present Policy, the Company is not the Execution Venue for the execution of the Client Orders in CFDs. So, in relation to individual CFDs transactions, the Company does not execute the Client Orders on an own account basis as a counterparty towards its own Client. The Company transmits the Client Orders or arranges for their execution with a third party(ies) (therefore FXCT will be the Execution Venue and not the Company). The Company relies on third party liquidity providers for prices and available volume and transmits Client Orders for execution to these counterparties; therefore execution of the Client's orders will depend on the pricing and available liquidity of the said provider. Although the Company executes all Orders placed by the Clients, it reserves the right to decline an order of any type and/or to offer the Client a new price for "market order". In the last case the Client can either accept or try again to place an order in the market price.
- 6. Likelihood of settlement:** The Company shall proceed to a settlement of all transaction upon execution of such transactions.



## 7. Size of order:

### a) PROfit Platform:

- a. Forex (CFDs): minimum size order 10,000 Base Currency Units / FX CFDs: USD10,000 or equivalent amount in other currency;
- b. CFDs on value of Commodities, Stocks and Indexes = 1 Unit for a standard account (1 Unit = 1 contract e.g.100 ounces of Gold=100) with minimum size order of USD10,000 or equivalent amount in other currency.

### b) MT4 Platform:

- a. Forex (CFDs): 1 lot = 100,000 Base Unit. Minimum size order 0.1 lots (one tenth of a lot) a lot is a unit measuring the transaction amount;
- b. CFDs on value of Commodities, Stocks and Indexes = 1 Unit (1 Unit = 1 contract e.g.100 ounces of Gold=100) with minimum size order of USD10,000 or equivalent amount in other currency.

The Company reserves the right to decide on the minimum/maximum size of an order (lot size) based on the Clients profile and/or initial deposit. Although there is no maximum size of an order where the Client can place with the Company, the Company reserves the right to decline an order as explained in the agreement entered with the Client.

The Company reserves the right to limit the exposure of a Client up to USD 30,000,000 per account unless agreed otherwise with the Client.

- 8. Market Impact:** Some factors may affect rapidly the price of the underlying financial instruments from which the quoted Company price for financial instruments is derived. These factors may influence some of the factors listed above, under Section 2. The Company will take all reasonable steps to obtain the best possible result for its Clients. The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor.

Nevertheless, whenever there is a specific instruction from the Client the Company shall make sure that the Client's order shall be executed following the specific instruction, or according to the best available price.

The Company will determine the relative importance of the above factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the criteria described below:

- (a) the characteristics of the Client including the categorization of the Client as retail or professional;
- (b) the characteristics of the Client order;
- (c) the characteristics of financial instruments that are the subject of that order;
- (d) the characteristics of the execution venues to which that order can be directed;

For retail Clients, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instruments and the costs related to execution, which shall include all expenses incurred by the Client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.



## **Execution Practices in Financial Instruments**

### **(a) Slippage**

You are warned that Slippage may occur when trading in CFDs. This is the situation when at the time that an Order is presented for execution, the specific price showed to the Client may not be available; therefore the Order will be executed in the next best available price from the Client's requested price. Thus, Slippage is the difference between the expected price of an Order, and the price the Order is actually executed at. If the execution price is better than the price requested by the Client, this is referred to as positive slippage. If the executed price is worse than the price requested by the Client, this is referred to as negative slippage. Please be advised that Slippage is a normal element when trading in financial instruments. Slippage more often occurs during periods of illiquidity or higher volatility (for example due to news announcements, economic events and market openings and other factors) making an Order at a specific price impossible to execute. In other words, your Orders may not be executed at declared prices. It is noted that Slippage can occur also during Stop Loss, Take Profit and other types of Orders. We do not guarantee the execution of your Pending Orders at the price specified. However, we confirm that your Order will be executed at the next best available price from the price you have specified under your pending Order.

### **Execution Venues**

Execution Venues are the entities with which the orders are placed or to which the Company transmits orders for execution. For the purposes of orders for the financial instruments provided by the Company, the Company acts as an agent on the Client's behalf; therefore FXCT is the sole Execution Venue for the execution of the Client's orders.

The Company's operation time is round – the – clock from Sunday 22.00.01 Greenwich Mean Time (GMT) through Friday 22:00.00 Greenwich Mean Time (GMT). Non-working periods: from Friday 22:00:01 Greenwich Mean Time (GMT) through Sunday 22.00.00 Greenwich Mean Time (GMT). Holidays are announced via the Company's main website.

The Company places significant reliance to the above Execution Venue based on the above mentioned factors and their relevant importance. It is the Company's policy to maintain such internal procedures and principles in order to act for the best interest of its Clients and provide them the best possible result (or "best available execution") when dealing with them.

The Client acknowledges and consents that the transactions entered in Financial Instruments with the Company's Execution Venues are not undertaken on a recognized exchange, rather they are undertaken through the Company's Trading Platform (i.e. Over-The-Counter) and, accordingly, they may expose the Client to greater risks than regulated exchange transactions.

For the abovementioned reason, the Company may not execute an order, or it may change the opening (closing) price of an order in case of any technical failure of the trading platform or quote feeds. The terms and conditions and trading rules are established solely by the counterparty which in this case is FXCT. The Client is obliged to close an open position of any given financial instrument during the opening hours of the Company's Trading Platform. The Client also has to close any position with the same counterparty with whom it was originally entered into, thus FXCT.

### **Monitor and Review**

The Company shall monitor on a regular basis the effectiveness of this Policy and, in particular, the execution quality of the procedures explained in the Policy and, where appropriate, reserves the right to correct any deficiencies.



In addition, the Company will review the Policy at least annually. A review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to the best possible result for the execution of its Client orders on a consistent basis using the venues included in this Policy.

The Company shall notify its affected Clients on any changes in its Policy by publishing any changes on the Company's main website available to all its Clients.

### **Client Consent**

Upon establishing a business relation with the Client, the Company is required to obtain the Client's prior consent to this Policy.

The Company is also required to obtain the Client's prior express consent before it executes or transmits its order for execution outside a regulated market or an MTF (Multilateral Trading Facility).

The Company may obtain the above consents in the form of a general agreement where the Client is informed that any orders placed with the Company for the Financial Instrument offered by the Company, the Company acts as an agent on the Client's behalf; the sole Execution Venue for the execution of the Client's orders is FXCT.

### **Clients' Specific Instructions**

Whenever there is a specific instruction from or on behalf of a Client the Company shall arrange – to the extent possible – for the execution of the Client order strictly in accordance with the specific instruction.

**WARNING:** It is noted that the specific instruction may prevent the Company from taking the steps in the Policy to obtain the best possible result for the Client.

Trading rules for specific markets or market conditions may prevent the Company from following certain of the Client's instructions.



**DEPAHO LIMITED  
CLIENT CATEGORISATION**



Following the implementation of the Markets in Financial Instruments Directive (MiFID) in the European Union and in accordance with the Investment Services and Activities and Regulated Markets Law of 2007 (Law 144(I)/2007), as amended, from time to time in Cyprus, Depaho Ltd. operating through the brand name of FXGM (hereinafter called the “Company”) is required to categorize its Clients into one of the following three categories: Retail, Professional or Eligible counterparty.

### **Categorization Criteria**

The categorization criteria set by the relevant legislation are the following:

“**Retail Client**” is a client who is not a professional client or an eligible counterparty as this is described below.

“**Eligible Counterparty**” is any of the following entities to which a Credit Institution or an Investment Firm provides the services of Reception and Transmission of Orders on behalf of clients and/or Execution of such orders and/or Dealing on own account: Cyprus Investment Firms, other Investment Firms, Credit Institutions, Insurance Undertakings, UCITS and their management companies, Pension Funds and their management companies and other Financial Institutions authorized by a Member State or regulated under Community legislation or the national law of a Member State, undertakings exempted from the application of the Investment Services and Activities and Regulated Markets Law of 2007, as amended from time to time, under article 3(2)(k) and (l), National Governments and their corresponding offices including Public Bodies that deal with Public Debt, Central Banks and Supranational Organizations.

“**Professional Client**” is a client who possesses the experience, knowledge and expertise to make his/her own investment decisions and properly assess the risks that he incurs. In order to be considered a professional client, a client must comply with the following criteria:

#### **A Categories of client who are considered to be Professionals**

The following should all be regarded as Professionals in all investment services and activities and financial instruments.

1. Entities which are required to be authorized or regulated to operate in the financial markets. The list below should be understood as including all authorized entities carrying out the characteristic activities of the entities mentioned: entities authorized by a Member State under a European Community Directive, entities authorized or regulated by a Member State without reference to such Directive and entities authorized or regulated by a non- Member State:
  - a) Credit institutions
  - b) Investment firms
  - c) Other authorized or regulated financial institutions
  - d) Insurance Undertakings
  - e) Collective investment schemes and management companies of such schemes
  - f) Pension funds and management companies of such funds



- g) Commodity and commodity derivatives dealers
  - h) Locals
  - i) Other institutional investors
2. Large undertakings meeting two of the following size requirements on a proportional basis:
- balance sheet total of at least EUR 20,000,000
  - net turnover of at least EUR 40,000,000
  - own funds of at least EUR 2,000,000
3. National and regional governments, public bodies that manage public debt, Central Banks, international and supranational institutions such as the World Bank, the International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international organizations.
4. Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitization of assets or other financing transactions.

The entities mentioned above are considered to be Professionals. They are however allowed to request non-professional treatment and the Company may agree to provide a higher level of protection. Where the client of the Company is an undertaking referred to above, the Company must inform the Client, prior to any provision of services that, on the basis of the information available to the Company, the client is deemed to be a professional client, and will be treated as such unless the Company and the client agree otherwise. The client may request a variation of the terms of the agreement in order to secure a higher degree of protection.

It is the responsibility of the client, considered to be a professional client, to ask for a higher level of protection when it deems it is unable to properly assess or manage the risks involved.

This higher level of protection will be provided when a client who is considered to be a professional, enters into a written agreement with the Company to the effect that it shall not be treated as a professional for the purposes of the applicable conduct of business regime. Such agreement will specify whether this applies to one or more particular services or transactions, or to one or more types of product or transaction.

## **B. Clients who may be treated as Professionals on request**

### **1. Identification criteria**

Clients other than those mentioned in Part A, including public sector bodies and private Individual investors, may also be allowed to waive some of the protections afforded by the conduct of business rules.

The Company is allowed to treat any of the above clients as Professionals provided the relevant criteria and procedure mentioned below are fulfilled. These clients will not, however, be presumed to possess market knowledge and experience comparable to that of the categories listed in Part A.

Any such waiver of the protection afforded by the standard conduct of business regime will be considered valid only if an adequate assessment of the expertise, experience and knowledge of the client, undertaken by the Company, gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the client is capable of making his own investment decisions and understanding the risks involved.

The fitness test applied to managers and directors of entities licensed under European Directives in the financial field could be regarded as an example of the assessment of expertise and knowledge. In the case of small entities, the person subject to the above assessment should be the person authorized to carry out transactions on behalf of the entity.

In the course of the above assessment, as a minimum, two of the following criteria should be satisfied:

- the client has carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter over the previous four quarters,
- the size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds EUR 500 000,
- the client works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged.

## **2. Procedure**

The clients defined above may waive the benefit of the detailed rules of conduct only where the following procedure is followed:

- they must state in writing to the Company that they wish to be treated as a professional client, either generally or in respect of a particular investment service or transaction, or type of transaction or product,
- the Company will give them a clear written warning of the protections and investor compensation rights they might lose,
- they must state in writing, in a separate document from the contract, that they are aware of the consequences of losing such protections.

Before deciding to accept any request for waiver, the Company is required to take all reasonable steps to ensure that the client requesting to be treated as a professional client meets the relevant requirements stated in paragraph B.1 above.

However, if clients have already been categorized as professionals under parameters and procedures similar to those above, it is not intended that their relationships with the Company should be affected by any new rules adopted pursuant to the Directive(s) and Legislation mentioned above.

The Company implements appropriate written internal policies and procedures to categorize clients.



Professional clients are responsible for keeping the Company informed about any change, which could affect their current categorization. Should the Company become aware that the client no longer fulfills the initial conditions which made him eligible for a professional treatment; the Company shall take any appropriate action.

#### Request for different Categorization

In accordance with Paragraph B.2 above, the following requests may be submitted to the Company:

- a) A Retail Client requesting to be categorized as a Professional Client. In that case the Client will be afforded a lower level of protection.
- b) A Professional Client requesting to be categorized as a Retail Client. In that case the Client seeks to obtain a higher level of protection.
- c) An Eligible Counterparty requesting to be categorized as a Professional Client or Retail Client. In that case the Client seeks to obtain a higher level of protection.

The Company reserves the right to decline any of the above requests for different categorization.

### **Protection Rights**

#### **Retail Clients / Professional Clients**

Where the Company treats the Client as a retail client, he will be entitled to more protections under the law than if the Client was entitled to be a professional client. In summary, the additional protections retail clients are entitled to are as follows:

- a) A retail client will be given more information/disclosures with regard to the Company, its services and any investments, its costs, commissions, fees and charges and the safeguarding of client financial instruments and client funds.
- b) Under the Law, where the Company provides investment services other than investment advice (in the form of personal recommendations) or discretionary portfolio management, the Company shall ask a retail client to provide information regarding his knowledge and experience in the investment field relevant to the specific type of product or service offered or demanded so as to enable the investment firm to assess whether the investment service or product envisaged is appropriate for the client. In case the Company considers, on the basis of the information received, that the product or service is not appropriate to a retail client, it shall warn the client accordingly. Please note that the Company is not required to assess appropriateness in certain cases specified by Law.

The Company shall be entitled to assume that a professional client has the necessary experience and knowledge in order to understand the risks involved in relation to those particular investment services or transactions, or types of transaction or product, for which the client is classified as a professional client.

Consequently, and unlike the situation with a retail client, the Company should not generally need to obtain additional information from the client for the purposes of the assessment of appropriateness for those products and services for which they have been classified as a professional client.

- c) When executing orders, investment firms and credit institutions providing investment services must take all reasonable steps to achieve what is called “best execution” of the client’s orders that is to obtain the best possible result for their clients.

Where the Company executes an order on behalf of a retail client, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, which shall include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

When providing professional clients with best execution the Company is not required to prioritize the overall costs of the transaction as being the most important factor in achieving best execution for them.

- d) Investment firms and credit institutions providing investment services must obtain from clients such information as is necessary for the firm or credit institution, as the case may be, to understand the essential facts about the client and to have a reasonable basis for believing, giving due consideration to the nature and extent of the service provided, that the specific transaction to be recommended, or entered into in the course of providing a portfolio management service, satisfies the following criteria:

- i. it meets the investment objectives of the client in question;
- ii. it is such that the client is able financially to bear any related investment risks consistent with his investment objectives;
- iii. it is such that the client has the necessary experience and knowledge in order to understand the risks involved in the transaction or in the management of his portfolio.

Where the Company provides an investment service to a professional client it shall be entitled to assume that, in relation to the products, transactions and services for which it is so classified, the client has the necessary level of experience and knowledge for the purposes of paragraph (iii) above. In addition, under certain circumstances, the Company shall be entitled to assume that a professional client is able financially to bear any investment risks consistent with its investment objectives.

- e) The Company must inform retail clients of material difficulties relevant to the proper carrying out of their order(s) promptly upon becoming aware of the difficulty.

- f) The Company is required to provide retail clients:

- i. with more information than professional clients as regards execution of orders, other than for portfolio management
- ii. with periodic statements in respect of portfolio management activities carried out on their behalf, more frequently than for professional clients,

- g) Where the Company provides portfolio management transactions for retail clients or operate retail client accounts that include an uncovered open position in a contingent liability transaction, it shall also report to the retail client any losses exceeding any predetermined threshold, agreed between the Company and the client, no later than the end of the



business day in which the threshold is exceeded or, in a case where the threshold is exceeded on a non-business day, the close of the next business day.

- h) The Company shall not use financial instruments held by the Company on behalf of a client for the Company's own account or the account of another client of the Company, without the client's prior express consent to the use of the instruments on specified terms, as evidenced, in the case of a retail client, by his signature or equivalent alternative mechanism.
- i) Retail clients may be entitled to compensation under the Investor Compensation Fund for Bank Clients or the Investor Compensation Fund for Clients of Investment Firms, as the case may be.

### **Eligible Counterparties**

Where the Company treats the Client as an eligible counterparty, the Client will be entitled to fewer protections under the law than he would be entitled to as a professional client. In particular, and in addition to the above:

- a) The Company is not required to provide the Client with best execution in executing the Client's orders;
- b) The Company is not required to disclose to Client information regarding any fees or commissions that the Company pays or receives;
- c) The Company is not required to assess the suitability or appropriateness of a product or service that it provides to Client but can assume that the Client has the expertise to choose the most appropriate product or service for him and that he is able financially to bear any investment risks consistent with his investment objectives;
- d) The Company is not required to provide the Client with information about the Company, its services and the arrangements through which the Company will be remunerated;
- e) The Company is not required to provide the Client with risk disclosures on the products or services that he selects from the Company; and
- f) The Company is not required to provide reports to the Client on the execution of his orders or the management of his investments.

December, 2015



**DEPAHO LIMITED**

**CONFLICT OF INTEREST POLICY**



## **Introduction**

**Depaho Ltd.** operating through the brand name of **FXGM** is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (hereinafter, “CySEC”) with license number 161/11. The Company has also been authorized by the Financial Services Board in South Africa (“FSB”) under authorization no.47709.

The Conflict of Interest Policy (hereinafter, the “Policy”) is issued pursuant to, and reflects compliance with the Investment Services and Activities and Regulated Markets Law of 2007 – Law 144(I)/2007 (hereinafter, the “Law”) its directives and circulars issued thereof.

This Policy is an adjunct to the Company’s overarching general obligation to act honestly, fairly and professionally and in the best interests of its Clients and to comply, in particular, with the principles set out in the above legislation when providing investment services and other ancillary services.

The Company provides herein a summary of the policy it maintains in order to manage conflicts of interest in respect of the duties it owes to its Clients.

## **Scope**

The Policy applies to all its directors, employees, any persons directly or indirectly linked to the Company (hereinafter, the “related persons”) and refers to all interactions with all Clients.

## **Definition/Interpretation**

A conflict of interest arises where there is a reason within the Company’s control that prevents it from putting the interests of its Clients before those of the Company and its employees, or the interests of one Client or group of Clients ahead of another Client. In such a situation, the Company must pay due regard to the interests of each Client and manage any potential conflicts of interests accordingly.

The underlying principle that must be followed at all times is that the interests of a Client must always be put before the interests of the Company and/or its employees. A conflict may exist, or be perceived to exist, if an employee’s activity is, or may reasonably give the appearance of being, inconsistent with the best interests of the Company’s Clients.

## **Identification of possible conflict of interest risks**

The Company shall take all reasonable steps to identify conflicts of interest situations between the Company and its related persons, the Company and its Clients or between its Clients during the course of the provision of investment and ancillary services.

The Company’s Policy, in general, shall have to:

- (a) identify with reference to the investment and ancillary services carried out by the Company, the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients; and
- (b) specify procedures to be followed and measures to be adopted in order to manage such conflicts



### **Non-exhausting list of possible conflicts of interest:**

While it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest situations that may arise, as per the current nature, scale and complexity of the Company's business, the following list includes circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as applicable:

- a) The interest of *relevant persons*, shareholders, directors or agents of the Company or members of its Group in Clients, and vice versa;
- b) An interest in maximizing the Company's trading volumes in order to increase its commission revenue, which is inconsistent with the Client's personal objective of minimizing transaction costs;
- c) The bonus scheme of employees/*relevant persons* which may be based on the Clients' trading volumes and/or deposits;
- d) Relevant persons' personal transactions within the meaning of CySEC's Directives.
- e) The remuneration of third parties where the interest of the Client conflicts with the interest of the third party; and
- f) The interests of other members of the Group that the Company belongs to and/or the interests of other members of the Group that provide services to the Company (e.g. Liquidity Provider).

It should be noted that the above circumstances which constitute or may give rise to a conflict of interest, are not necessarily detrimental to the interests of Clients.

### **Managing Conflicts of Interest**

#### **General Principles**

The Company shall maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest, from adversely affecting the interests of its Clients.

The Company should take into account any circumstances, of which it is or should be aware, which may give rise to a conflict of interest arising as a result of the structure and business activities of other members of the Group in which the Company belongs to.

### **Non-exhausting list of procedures and measures:**

For the management and prevention of conflicts of interest, the Company's procedures and controls include the following, as applicable and relevant:

- (a) Chinese Walls to prevent the flow of confidential information and data in a way that adversely affect the interests of the Clients;





- (b) Executive Directors or other hierarchical officers of the Company do not exercise inappropriate influence over the way in which a related person carries out the provision of investment and ancillary services;
- (c) The Company's bonus scheme is compounded of several elements and each trade related element does not alone affect the bonus significantly;
- (d) The Compliance Department shall ensure strict implementation of the Assessment of Appropriateness in order to ensure adequate monitoring of compatibility of the provision of brokerage services to Retail Clients;
- (e) Arrangements designed to ensure that related persons engaged in different business activities carry on those activities at a level of independence appropriate to the size and activities of the Company and of the Group to which it belongs, and to the materiality of the risk of damage to the interests of Clients;
- (f) The Company shall perform an assessment at least once a year, whether the existence of any payments and non-monetary benefits paid or provided to or by a third party or a person on behalf of a third party in relation to the provision of an investment or ancillary service to a Client by the Company is in compliance with the MIFID inducements rules;
- (g) the Company shall be informed promptly of any personal transaction entered into by a relevant person, either by notification of that transaction or by other procedures enabling the Company to identify and evaluate such transactions;
- (h) All employees are aware of forbidden transaction practices (e.g. the preferential treatment of Company members of staff at the expense of its Clients, during the provision of the investment and ancillary services to a Client); and
- (i) Establishing objective and independent procedures for the assessment of other members of the Group who collaborate with the Company for the provision of Services to clients (e.g. Liquidity Providers/Market Makers). Further to this the Company always acts as the Client's agent, receiving payment from the Client's transaction volume and does not enter into profit sharing arrangements with its Liquidity Providers irrespective of whether said Liquidity Providers are members of the same Group as the Company.

### **Disclosure of Information**

If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, the Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients.

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate with or without notice to the Client. Further information regarding the Policy is available upon request.



Should you require any further information and/or have any questions about conflicts of interest, please direct your request and/or questions to [info@fxgm.eu](mailto:info@fxgm.eu).

October 2017



**DEPAHO LIMITED**

**GENERAL RISK DISCLOSURE**



Depaho Ltd. operating through the brand name of FXGM (hereinafter called the “Company”), is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (license number 161/11). The Company has also been authorized by the Financial Services Board in South Africa (“FSB”) under authorization no. 47709. This notice is provided to you in accordance with the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law 144(I)/2007, as subsequently amended (“the Law”).

The Company does not and cannot guarantee the initial capital of the Clients’ portfolio or its value at any time or any money invested in any financial instrument.

The Client should unreservedly acknowledge and accept that, regardless of any information which may be offered by the Company, the value of any investment in Financial Instruments may fluctuate downwards or upwards and it is even probable that the investment may become of no value.

The Client should unreservedly acknowledge and accept that he/she runs a great risk of incurring losses and damages as a result of the purchase and/or sale of any Financial Instrument and accepts and declares that he/she is willing to undertake this risk.

The Client should not engage in any investment directly or indirectly in Financial Instruments unless he/she knows and understands the features risks involved for each one of the Financial Instruments.

The Client should declare that he/she has read, comprehends and unreservedly accepts the following:

- i. Information of the previous performance of a Financial Instrument does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the Financial Instruments to which the said information refers.
- ii. Some Financial Instruments may not become immediately liquid as a result e.g. of reduced demand and the Client may not be in a position to sell them or easily obtain information on the value of these Financial Instruments or the extent of the associated risks.
- iii. When a Financial Instrument is traded in a currency other than the currency of the Client’s country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance.
- iv. A Financial Instrument on foreign markets may entail risks different to the usual risks of the markets in the Client’s country of residence. In some cases, these risks may be greater. The prospect of profit or loss from transactions on foreign markets is also affected by exchange rate fluctuations.
- v. A Derivative Financial Instrument (i.e. option, future, forward, swap, contract for difference) may be a non-delivery spot transaction giving an opportunity to make profit on changes in currency rates, commodity, stock market indices or share prices called the underlying instrument.
- vi. The value of the derivative financial instrument may be directly affected by the price of the security or any other underlying asset which is the object of the acquisition.
- vii. The Client must not purchase a derivative financial instrument unless he is willing to undertake the risk of losing entirely all the money which he/she has invested and also any additional commissions and other expenses incurred.
- viii. The Company’s insolvency or default, may lead to positions being liquidated or closed out without the Client’s consent.
- ix. The Client and not the Company shall be responsible for the risks of financial losses caused by failure, malfunction, interruption, disconnection or malicious actions of information, communication, electricity, electronic or other systems.

- x. At times of excessive deal flow the Client may have some difficulties to be connected over the phone or the Company's Platform(s)/system(s), especially in fast Market Conditions (for example, when key macroeconomic indicators are released).
- xi. The Client is warned that when trading in an electronic platform he assumes risk of financial loss which may be a consequence of amongst other things:
  - a. Failure of Client's devices, software and poor quality of connection.
  - b. The Company's or Client's hardware or software failure, malfunction or misuse.
  - c. Improper work of Client's equipment.
  - d. Wrong setting of Client's Terminal.
  - e. Delayed updates of Client's Terminal
- xii. In case of a Force Majeure Event the Company may not be in a position to arrange for the execution of Client Orders or fulfill its obligations under the agreement with the Client. As a result the Client may suffer financial loss. The Company will not be liable or have any responsibility for any type of loss or damage arising out of any failure, interruption, or delay in performing its obligations under this Agreement where such failure, interruption or delay is due to a Force Majeure event.
- xiii. The Client acknowledges that under Abnormal Market Conditions the period during which the Orders are executed may be extended or it may be impossible for Orders to be executed at declared prices or may not be executed at all.
- xiv. The placing of certain Orders (e.g. "stop-loss" orders, where permitted under local law, or "stop-limit" Orders), which are intended to limit losses to certain amounts, may not be adequate given that market's conditions make it impossible to execute such Orders, e.g. due to illiquidity in the market. Strategies using combinations of positions, such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions. Therefore Stop Limit and Stop Loss Orders cannot guarantee the limit of loss
- xv. The Client acknowledges and accepts that there may be other risks which are not contained above.

The Client should take the risk that his/her trades in Financial Instruments may be or become subject to tax and/or any other duty for example because of changes in legislation or his/her personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. The Client should be responsible for any taxes and/or any other duty which may accrue in respect of his trades.

Before the Client begins to trade, he/she should obtain details of all commissions and other charges for which the Client will be liable. If any charges are not expressed in money terms (but for example as a dealing spread), the Client should obtain a clear written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.

In order to comply with the Markets in Financial Instrument Directive (MiFID) of the European Union, the Company will classify the prospective client as Retail Client, Professional Client or Eligible counterparty when considering the application for opening an account, based on the information provided to the Company.

Prior to applying for a trading account the Client should consider carefully whether investing in a specific Financial Instrument is suitable for him/her in the light of his/her circumstances and financial resources. Investing in some Financial Instruments entails the use of "gearing" or "leverage". In considering whether to engage in this form of investment, the Client should be aware of the following:

- i. The high degree of "gearing" or "leverage" is a particular feature of Derivative Financial Instruments.

This stems from the margining system applicable to such trades, which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the underlying market can have a disproportionately dramatic effect on the Client's trade. If the underlying market movement is in the Client's favor, the client may achieve a



good profit, but an equally small adverse market movement can not only quickly result in the loss of the Clients' entire deposit, but may also expose the Client to a large additional loss. In regard to transactions in Spot Forex and Commodities with the company, Spot Forex and Commodities are non-delivery spot transactions giving an opportunity to make profit on changes in currency rates and on Commodity versus currency rate. The Client must not trade in Forex or Commodities unless he/she is willing to undertake the risks of losing entirely all the money which he/she has invested and also any additional commissions and other expenses incurred.

- ii. The Client may be called upon to deposit substantial additional margin, at short notice, to maintain his/her position(s). If the Client does not provide such additional funds within the time required, his/her investment position may be closed. The Company guarantees that there will be no negative balance in the trading account when trading Forex or Commodities.
- iii. Such transactions may not be undertaken on a Regulated Market or a Multilateral Trading Facility and, accordingly, they may expose the Client to greater risks than exchange transactions. The terms and conditions and trading rules may be established solely by the counterparty. The Client may only be able to close an open position of any given contract during the opening hours of the exchange. The Client may also have to close any position with the same counterparty with whom it was originally entered into. In regard to transactions in Forex and Commodities with the Company, the Company is using a Trading Platform for transactions which does not fall into the definition of a recognized exchange as this is not a Multilateral Trading Facility because the Company is always using ForexCT as the counterparty in every client transaction.
- iv. Transactions in foreign exchange and derivative Financial Instruments carry a high degree of risk. The amount of initial margin may be small relative to the value of the foreign exchange or derivatives contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds the Client has deposited or will have to deposit; this may work against the Client as well as for the Client. The Client may sustain a total loss of initial margin funds and any additional funds deposited with the Company to maintain his position. If the market moves against the Client's position and/or margin requirements are increased, the Client may be called upon to deposit additional funds on short notice to maintain his position. Failing to comply with a request for a deposit of additional funds, may result in closure of his position(s) by the Company on his behalf and he will be liable for any resulting loss or deficit.
- v. The Company may not provide the Client with investment advice relating to investments or possible transactions in investments or make investment recommendations of any kind. This prohibition is subject to an exception where advice given amounts to the giving of factual market information or information, in relation to a transaction about which the Client has enquired, as to transaction procedures, potential risks involved and how those risks may be minimized.
- vi. The Company may be required to hold the Client's money in an account that is segregated from other clients and the Company's money in accordance with current regulations, but this may not afford complete protection.

This notice cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in all financial instrument and investment services. The Client will be informed in more detail for the risks involved based on the categorization assigned to him/her by the Company and the investment services and financial instruments selected.

Please refer to the [Risk Disclaimer](#) for Contracts for Differences if you are considering trading with the Company.

October 2017



**DEPAHO LIMITED**

**INVESTOR COMPENSATION FUND**



**Depaho Ltd.** operating through the brand name of **FXGM** (hereinafter called the “Company”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (license number 161/11) and a member of the Investor Compensation Fund (hereinafter called the “Fund”). The Company has also been authorized by the Financial Services Board in South Africa (“**FSB**”) under authorization no. 47709. The objective of the Fund is to secure any claims of covered clients against members of the Fund and the main essence of the Fund is to compensate covered clients for any claims arising from the malfunction by a member of the Fund to fulfill its obligations despite whether that obligation arises from legislation, the client agreement or from wrongdoing on the part of the member of the Fund.

Failure to execute its obligations consists of the following:

1. Failure to return to a covered client funds owed to them or funds which belong to them but are held by a member of the Fund, directly or indirectly, in the framework of the provision by the member of the Fund to the client of a covered service and which the client has requested that the member of the Fund returns in exercise of their relevant right; or
2. Failure to return to a covered client financial instruments which belong to them and which the member of the Fund holds, manages or keeps on its account, including the case where the member of the Fund is responsible for the administrative management of the said financial instruments.

The Company’s Clients have the risk of losing their assets which are held by third parties, especially in case of their insolvency and in case the third parties are not covered by any investor compensation system and/or other insurance cover.

### **Covered Services**

Covered Services are the investment services listed on the Company’s license (license number 161/11) issued by the Cyprus Securities and Exchange Commission.

### **Covered Clients**

The Company’s Clients are all covered by the Fund.

1. The following categories of Professional Clients are not covered by the Fund:
  - a) Investment Firms;
  - b) Legal entities associated with the Company and, in general, belonging to the same group of companies;
  - c) Banks;
  - d) Cooperative credit institutions;
  - e) Insurance companies;
  - f) Collective investment organizations in transferable securities and their management companies;
  - g) Social insurance institutions and funds;
  - h) Investors characterized by the Company as professionals;
2. States and supranational organizations;
3. Central, federal, confederate, regional and local administrative authorities;
4. Enterprises associated with the Company;





5. All staff of the Company inclusive of Managerial and Administration staff;
6. Shareholders of the Company whose participation directly or indirectly in the capital of the member of the fund amounts to at least 5% of its share capital, or its partners who are personally liable for the obligations of the member of the Fund, as well as persons responsible for the carrying out of the financial audit of the member of the Fund as provided by the Law, such as qualified auditors;
7. Investors having an enterprise connected with the Company and in general of the group of companies to which the Company belongs, positions or duties corresponding to the ones listed in paragraphs 5 and 6 above;
8. Second-degree relatives and spouses of the persons listed in paragraphs 5, 6 and 7 as well as third parties acting for the account of these persons;
9. Apart from investors convicted of a criminal offence pursuant to the Prevention and Suppression of Money Laundering Activities Law of 1996 - 2012, investor-clients of the Company responsible for facts pertaining to the Company that has caused its financial difficulties or has contributed to the worsening of its financial situation or which have profited from these facts;
10. Investors in the form of a company which due to its size is not allowed to draw a summary balance sheet in accordance with the Companies Law or a corresponding law of a Member State.

#### **Procedure for Decision to Commence the Compensation Payment Process**

The Fund will commence the compensation payment process in at least one of the following circumstances:

1. The Cyprus Securities and Exchange Commission has determined by Resolution that a member of the Fund is unable to meet client claims provided that this inability is a result from its financial circumstances which show no prospect of improving in the near future; or
2. A judicial authority has on reasonable grounds directly related to the financial circumstances of the member issued a ruling with the effect that investors ability to lodge claims against it are suspended or that a well-founded claim by a client exists then the compensation payment procedure will commence.

Upon issuing a decision to initiate the compensation payment process, the Cyprus Securities and Exchange Commission will publish, in at least three national newspapers, an invitation to the covered clients to make their claims. In that invitation a procedure for submission of the relevant applications, a deadline for submission and the content will be outlined.

The administrative committee may reject the Compensation application in case where:

1. The claimant-Client does not fall within the covered clients category;
2. The compensation application was not submitted in a timely manner;
3. The Claimant- Client was convicted of a criminal offence for the transactions for which he has filed a compensation application, pursuant to the Prevention and Suppression of Money Laundering Law of 2008 as amended;



4. The conditions for compensation as described in the Investment and Ancillary Services Law of 2007 as amended and the Investor Compensation Fund Directive are not met;

Or the Administrative Committee may reject the application at its discretion if at least one of the following reasons exists:

5. The Claimant – Client used fraudulent means in order to secure the payment of compensation by the Fund, especially if it knowingly submitted false evidence;
6. The damage suffered by the claimant substantially derived from concurrent negligence or offence on its behalf in relation to the damage it suffered and to its underlying cause.

#### **Amount of Compensation**

The Company's books will be used together with supporting evidence to ascertain the claims of a member and the amount payable will be calculated in accordance with the legal and contractual terms governing the relation of the client with the member of the Fund subject to set-off rules. The calculation of compensation payable will derive from the sum of the total established claims of the covered client arising from all covered services provided, regardless of the number of accounts of which it is a beneficiary, the currency and the place of provision of these services. If the claim exceeds €20,000 then the claimant is only entitled to receive a maximum of the equivalent of €20,000.

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