



# PAMM/MAM SYSTEM TERMS & CONDITIONS

## 1. INTRODUCTION

- 1.1. www.fxbtrading.com is a website owned and operated by FAZCO CAPITAL LIMITED, a limited liability company incorporated under the laws of St. Vincent and the Grenadines with registration number 22500 IBC 2015 having its registered office at Suite 305 Griffith Corporate Centre, Beachmont, VC0100, St. Vincent and the Grenadines. ("COMPANY").
- 1.2. This 1.2. The Company understands that the Client wishes to appoint an Attorney subject to the Multi Account Manager Agreement for the purpose of his account being managed by the Attorney. The Company sets forth hereinafter the terms and conditions (hereinafter the "Terms") governing the managed account services provided to the Client (COMPANY clients subscribed to receive managed services) by Attorneys under the so called 'Percentage Allocation Management Module' ("PAMM").

## 2. PAMM SYSTEM TERMS (HEREAFTER THE "TERMS")

- 2.1. These Terms, together with COMPANY Client Agreement - Terms and Conditions, the full Risk Disclosure, the Client Classification Policy, the Investor Compensation Fund Policy, the Client Complaints Policy, the Conflict of Interest Policy, the Privacy Policy and the Order Execution Policy, include all the provisions and conditions provided to the Client by COMPANY to maintain managed accounts under PAMM. Reading and understanding all of the above documents is a mandatory requirement in order to access this service. The Client's registration as an Attorney or an Investor will be considered by COMPANY as official confirmation that all documents were read, understood and accepted.
- 2.2. All transactions initiated by the Attorney on the PAMM Systems are subject to the provisions of the aforementioned Terms, Client Agreement - Terms and Conditions, the full Risk Disclosure, the Client Classification Policy, the Investor Compensation Fund Policy, the Client Complaints Policy, the Conflict of Interest Policy, the Privacy Policy and the Order Execution Policy. COMPANY PAMM System management tool provides an opportunity to Investors to follow trading strategies and signals developed and provided by the Attorney, being the strategy and signal provider. Different strategies are made available to different Investors based on the suitability assessment performed by COMPANY as part of the client account opening procedure.
- 2.3. COMPANY has no right to disclose any personal information about the Attorneys –unless their consent to do so is obtained in writing, since any account registered to operate under PAMM is a personal account of a Client of COMPANY and therefore its owner's details are privileged information which cannot be disclosed to third parties. Based on this, any claims that may be brought against COMPANY on behalf of Investors relating to the legal and professional competence level of Attorneys will be rejected outright.
- 2.4. An Investor accepting the provision of Asset Management Services through the use of signals (hereinafter "Offer") confirms that he/she understands and accepts the nature of inherent risks to the transactions in the OTC foreign exchange market or on regulated market (if applicable). COMPANY hereby states to the Investor that it does not and will not guarantee the recurrence of any rates of return that have been performed by the Attorney in the past or promised to be performed by the Attorney in the future.
- 2.5. Trading on the PAMM Systems can only be performed by the Attorney on the basis of these Terms. On agreement with the present Terms the Investors acknowledges that will not interfere in the trading strategy of the Attorney unless the service is officially terminated by either party. COMPANY will reject all claims of Investors that the manager failed to comply with their recommendations.
- 2.6. All transfers of funds between the Investors' personal accounts with COMPANY and their managed accounts are carried out only on the basis of requests from Investors. The Attorney cannot influence the decision making for the inflow or outflow of Investor funds or prevent instructions for funds transfers from being executed by the Investor.
- 2.7. COMPANY reserves the right to terminate the provision of the PAMM service to any Attorney at any time and upon its sole discretion.
- 2.8. Unless agreed otherwise, all the documents submitted by one party to the other by any means of delivery will be taken into account only if the possibility of accurate authentication of the sender exists. These Terms define the means of communication:
  - E-mail;
  - Postal service;
  - Publications on COMPANY's Website;

- Messages in the COMPANY online terminal

2.9. All records of trading transactions carried out in managed accounts will be accessible through the COMPANY online terminal according to the corresponding managed account update timeframes.

### 3. DEFINITIONS

3.1. For the purpose of these Terms, unless the context otherwise requires, capitalized words and expressions shall have the meanings assigned to them in the defined terms that are set forth in bold and italics: (A) hereinafter, under the heading "Definitions"; and/or (B) throughout these Terms:

- Active Managed Account - Any Managed account with a balance greater than zero.
- Attorney - Client of COMPANY, registered as an Attorney of PAMM Systems, providing trading signals to Managed Accounts, linked to the specific PAMM Systems.
- Attorney's Master Account – The Attorney's Master account is an account provided by COMPANY to the Attorney that generates and transmits the trading signals to the Strategy Account for implementation of his/her strategies to the Managed Accounts.
- Attorney's Capital - Funds transferred by the Attorney to the Attorney's Managed Account as an investment, to ensure Investors' interests are preserved.
- Attorney's Offer - a set of parameters offered by the Attorney and used by COMPANY to calculate the amounts of Attorney's remuneration and other terms of Managed Accounts.
- Capital Guard – shall mean the technical function which shall initiate to close all positions and shall delete all orders once the pre-defined equity level is reached on the PAMM System.
- Copy Tool – a tool used for the transfer of signals from the Master Account to the Strategy Account and/or from the Managed Accounts to the Strategy Account.
- Client - Client of COMPANY with a valid trading account in accordance with the Client Agreement.
- Client Agreement - an agreement signed between COMPANY and the Client outlining the services to be provided by COMPANY.
- Deposit Commission - a percentage of Investor's deposit, which will be charged to the Attorney during the execution of a funds deposit. The calculation formula can be found in Section 15.6.
- High profit watermark principle – Performance fees will be charged to the investors accounts as a percentage of "net new profits" each month above a high profit watermark. A high profit watermark is essentially the largest cumulative amount of positive performance experienced in an investor's account at the end of a given month throughout the period of time when the account is managed by a particular Attorney. When client decides to connect his account to a different PAMM System, the High profit watermark is reset to the current level of client's equity at the time of connecting to the new PAMM System.
- Investor - Client of COMPANY, registered as an Investor on a Managed Account.
- Investor's Equity- Funds belonging to the Investor in the Managed Account calculated as actual balance +/- profit/loss from open positions (calculated on the basis of current market prices) + virtual credit (if any).
- Investor Funds under Management - the value of Investor funds, on the basis of which is calculated Attorney's Remuneration from profits. The calculation formula can be found at Section 15.2.
- Management - Attorney's trading activities on the Managed Accounts.
- Managed Account – an account within a PAMM System where trading activities are performed based on the trading signals provided by the Attorney through the Strategy Account.
- Minimum Investment Amount (Initial investments) - the minimum allowable amount of equity an Investor has to have on his/her account to be able to connect to a MAM account.
- Minimum Balance (Minimal balance) - the lowest possible remaining Investor Balance in case of funds reduction.
- COMPANY Online Terminal - section of the COMPANY Online Terminal designated for performing operations on Investor's Managed Accounts.
- PAMM System Monitoring – Ongoing monitoring of the PAMM System management by COMPANY.
- PAMM System - a trading account where operations are only performed by the Attorney, through trading signals send by the Strategy Account (MAM), consisting of one or more Managed Accounts (sub) combined into a single registration system for the trading platform.
- COMPANY Website – www.fxbrading.com
- Remuneration of the Attorney for management (Management fee) - percentage of Investor's Balance which will be charged on a monthly basis to the Attorney. Every month a sum, 12 times smaller than the Attorney's Offer parameter, defined as a percentage per annum is deducted. The calculation formula can be found at Section 15.5.
- Remuneration of the Attorney from the profits (Performance fee) - percentage of the Investor's profits, which will be charged to the Attorney during the distribution of profits. The calculation formula can be found at Section 15.3
- Risk Disclosure - The document outlining the risks associated with trading activities which may lead to the loss of an investment.
- Strategy Account –The account used for (i) the execution of trading signals generated by the Attorney's Master Account and/or (ii) direct trading by the Attorney and (iii) connect with Managed Accounts.
- Trading Reports («Statements») - Transaction reports on the Managed Account that are always accessible by the Investors through the COMPANY Online Terminal.
- Trading Interval - the time period within which account management is performed, and after which the calculation is of Attorney's Remuneration from profits is performed.
- Terms of Business - conditions that apply to the service which cannot be altered without the prior consent of both parties, recorded in writing.

## 4. INTERPRETATION

- 4.1. Any reference in these Terms and its annexes, appendices, addenda, attachments, schedules and exhibits to a document being “in the terms agreed upon by mutual consent of the Parties” shall mean, unless the context otherwise requires, that document in the terms mutually agreed upon by and between the Parties and for the purposes of identification and documentation thereof signed by each of the Parties, or such other terms as may be agreed upon by mutual agreement of the Parties and executed by each of the Parties in writing in substitution therefor.
- 4.2. In these Terms and its annexes, appendices, addenda, attachments, schedules and exhibits, unless the context otherwise requires, references to any provision shall include such provision as from time to time amended, whether before, or on (in the case only of re-enactment or consolidation without substantive amendment) after the Effective Date, and shall be deemed to include provisions of earlier legislation which have been re-enacted (with or without modification) or replaced (directly or indirectly) by such provision, and shall further include all statutory instruments or Orders from time to time made pursuant thereto.
- 4.3. In these Terms and its annexes, appendices, addenda, attachments, schedules and exhibits, unless the context otherwise requires: (a) the masculine gender shall include the feminine and neuter and the singular number shall include the plural and vice versa; (b) references to Persons shall include individuals, bodies’ corporate, un-incorporated associations and partnerships; (c) the headings are inserted for convenience only and shall not affect the construction and interpretation of these Terms; (d) references to recitals, clauses and annexes, schedules and exhibits and any subdivisions thereof, unless a contrary intention appears, shall be to the recitals, clauses and annexes, schedules and exhibits and subdivisions of these Terms.
- 4.4. The annexes, appendices, addenda, attachments, schedules and exhibits and the Pre-ambule and Recitals set forth hereinabove form an integral part of these Terms and shall be construed as having the same full force and effect as if they would be expressly set forth in the body of these Terms.
- 4.5. Unless the context otherwise requires, any reference in these Terms to a “document” shall be construed to include any ‘electronic’ document.
- 4.6. Where any form of the word “including” appears in these Terms, it will be interpreted as if followed by the phrase “without limitation”, unless the context requires otherwise.

## 5. PAMM SYSTEMS

- 5.1. PAMM Systems are designed to allow the application of strategies as set by the Attorney through the Attorney Master Account and Strategy Account, who manages his/her own capital in trading on the OTC foreign exchange market or on regulated market (if applicable), in relation to the Investor’s capital (or part of that capital). The Attorney performs trades on PAMM Systems which consist of that Attorney’s funds and Investors’ capital.
- 5.2. The Attorney has the ability to carry out only trading transactions on PAMM Systems on the OTC foreign exchange market or on regulated market (if applicable).
- 5.3. The Attorney has no right or possibility to request the deposit or withdrawal of funds to or from Managed Accounts.
- 5.4. All other actions related to Managed Accounts are performed by COMPANY.
- 5.5. All operations on the transfer of funds into PAMM Systems are made only to/from COMPANY’s Clients’ trading accounts and are considered internal transfers.
- 5.6. The Attorney has access to additional services provided by COMPANY:
  - Provide a results-based management PAMM System for public review;
  - To participate in ratings;
  - Receive informational market reviews, etc.
- 5.7. The terms of the PAMM System trading are fully consistent with COMPANY’s trading terms for regular trading accounts and in accordance with the “Best Execution Policy”.
- 5.8. The Attorney and the Investor agree that through to the use and/or function of the PAMM System the below possible technology and/or technical issues may arise in respect to Capital Guard:
  - Capital Guard does not trigger and as a result it is not be able to start closing positions.
  - Capital Guard does trigger but it closes positions with delay resulting in higher loss than the pre-defined ones.
  - Capital Guard does trigger but it closes positions with delay resulting in less loss than the one pre-defined.
  - Capital Guard does trigger but it is effected based on a wrong High watermark level calculation.

## 6. PAMM SYSTEM MANAGER’S REGISTRATION

- 6.1. A Client looking to register as an Attorney is required to fill a Strategy Provider Services Agreement. COMPANY considers the act of filling and sending out this agreement as an unconditional acceptance of the terms hereof.
- 6.2. The necessary conditions for registration of a PAMM System are as follows:
  - Existence of a wallet and of a trading account;
  - “Verified” status of the wallet and of a trading account;
- 6.3. Failure to satisfy one or more of the above listed requirements will result in the rejection of the Strategy Provider Services Agreement.
- 6.4. After a successful Strategy Provider Services Agreement request submission, funds specified as “Attorney’s Capital” may be

transferred from the Attorney's trading account to his PAMM System.

- 6.5. After confirming the Strategy Provider Services Agreement request, COMPANY will contact the Attorney with the PAMM System parameters as well as its name, login and password.
- 6.6. Telephone dealing services are available for all PAMM Systems only in cases that the Attorney does not have access to the Master Account due to technology failure. The Attorney has to provide the answers to the security questions agreed during the account opening process.
- 6.7. The Attorney has the right to alter the following parameters:
  - Phone account access password;
  - Increase Attorney's Capital;
- 6.8. In the event that an Attorney's Balance falls below the Attorney's Capital, the Attorney is able to withdraw funds after the elimination of the PAMM System. The Attorney also has the right to bring own Capital to the minimum threshold by depositing additional funds.

## 7. ATTORNEY'S OFFERS

- 7.1. An Offer is a proposal to use strategies, used by Attorneys to perform trading transactions on the foreign exchange market or on regulated market (if applicable), by any Client of COMPANY. Each Offer consists of a set of parameters used by COMPANY for the calculation of the remuneration of the Attorney, as well as a set of conditions for the formation and operation of Managed Accounts. Acceptance or rejection of any Offer regarding an investment in one or another PAMM System is an entirely voluntary decision of the Client and does not entail the conclusion of any contract, material reciprocal relationship or any other commitment binding COMPANY, the Attorney and/or Investors.
- 7.2. An Offer must consist of the following parameters:
  - Performance Fee;
  - Management Fee;
  - Deposit Commission;
  - Initial Investment;
  - Minimal Balance;
  - Trading Interval.
  - Risk appetite
- 7.3. Each Offer entails the monitoring of that Offer, intended for the publication of calculation parameters for the performance of the relevant PAMM System, since the creation of the Offer.
- 7.4. The Attorney may limit the number of Managed Accounts under his Offer through:
  - Disabling the possibility of funds deposit into the Managed Accounts;
  - Setting a password for the acceptance of new or existing Offers.
- 7.5. The Attorney cannot influence the process of funds withdrawal from the Managed Accounts, carried out by COMPANY upon the request of the Investors.
- 7.6. Attorney Offers may not be removed unless these Offers are not valid.
- 7.7. COMPANY determines the maximum possible value of Offers on one PAMM System.

## 8. TRADING INTERVAL

- 8.1. The Trading Interval on any PAMM System may be equal to one calendar month.
- 8.2. The Trading interval commences on the date of the first actual receipt of Investor funds in the PAMM Account after the Investor accepts the Attorney's Offer.
- 8.3. Completion of one Trading Interval means the beginning of another Trading Interval.
- 8.4. The Attorney has the right to maintain open positions during the interchange of Trading Intervals.

## 9. REGISTRATION OF THE MANAGED ACCOUNT AND THE INVESTOR

- 9.1. Registration of any Client as an Investor is performed by COMPANY at the time of the Client's acceptance of the Attorney's Offer. By accepting the offer, the Client confirms that he/she:

- Read and understood all the provisions of these Terms;
- Has all the power and authority to abide by these Terms and understands the significance and consequences of his/her own actions;
- Ensures that the management of Investor funds cannot entail any violation of the rights of the Investor or any third party;
- Assumes responsibility for enforcing the provisions of these Terms;
- It is classified as suitable for receiving the managed accounts services.

**9.2.** Acceptance of the Offer by the Client and the completion of an application for issuance of the PAMM System entails the registration of the Client as an Investor.

**9.3.** A Client's non-performance of the initial request of funds deposit shall cancel his/her registration as an Investor only if the Investor's Sub-account in the PAMM System has not yet been created. Otherwise, for the withdrawal of funds Investors will have to initiate the process of closing the Sub-Account.

**9.4.** COMPANY notifies Clients regarding any changes in the registration status via electronic mail.

## 10. INVESTOR'S MANAGED ACCOUNT COEFFICIENT

**10.1.** The Investor's Managed Account Coefficient is used to determine which part of the achieved results in the PAMM System will be distributed to each Managed Account (participating Investor account).

**10.2.** Calculation of the Investor's Managed Account Coefficient is calculated before the opening of every new trading position on the PAAM account using the following formula:

**Investor's Managed Account Coefficient = Investor's Equity / PAAM account Equity**

Whereby:

Investor's Equity = equity on Investor's managed sub-account before opening a new trading position on the PAAM account

PAAM's Account Equity = Sum all of all Investor's managed account equity at the time before opening a new trading position.

## 11. CALCULATION OF PROFIT AND FEES

**11.1.** Following the end of a calendar month the trading results on the Investor's managed accounts are analyzed and the various fees are calculated.

**11.2.** Investors can access and review their trading profits or losses together with trading statements on COMPANY Online Terminal.

**11.3.**

**11.4.** Performance and management fees are deducted from Investors' managed accounts and credited to the appropriate Attorney account within 30 days after each calendar month.

**11.5.** Deposit commissions are calculated and deducted at the time of connecting Investors managed account to the PAAM account. At the same time the commissions or their agreed proportion are transferred on the Attorneys' accounts.

**11.6.** Investor can transfer funds between his/her accounts at any time using COMPANY Online Terminal or by filing a request to customer support email, provided that the minimum investment amount will be still maintained.

**11.7.** Calculation of the positions, obtained profit/loss and the payment for overnight positions carrying is calculated for each managed account based on the Investor's Managed Account Coefficient.

**11.8.** We are not responsible for any problems or technical malfunction of telephone network or lines any, computer online systems, servers or providers, hardware, software, failure due to technical or traffic congestion problems on the Internet or on any of the site or services.

## 12. FUNDS DEPOSIT

**12.1.** Deposit on any sub account can be done directly by specifying the sub account number in wire transfer details. If not specified or if it is used method of payment that doesn't allow adding details to the transfer then client will be contacted by a Customer Support Representative for further instructions.

**12.2.** When a Client maintains a trading account that meets the minimum investment amount of some strategy, client can connect to that strategy in the COMPANY Online Terminal or by request on COMPANY support. After that the standard client account becomes investors managed account

## 13. WITHDRAWALS

- 13.1.** Investors or Attorneys can withdraw any amount of funds from their managed accounts at any time, given that at least minimum investment amount will be maintained after the withdrawal
- 13.2.** Investor or Attorney can withdraw funds from managed account as follows:
- transferring funds to other account with COMPANY opened under their name
  - requesting withdrawal under the standard COMPANY rules for withdrawals

## 14. REPLACING MANAGER'S OFFER (MIGRATION)

- 14.1.** The Investor has the opportunity to replace one Attorney's Offer with another without depositing/withdrawing funds, if his/her balance after deduction of Attorney's Performance Fee is no less than Initial Investments of the new Offer. Migration is initiated from COMPANY Online Terminal or after a request to a Customer Support Representative.
- 14.2.** Replacement of Offers is performed within 24 hours of request.
- 14.3.** When replacing the Offer:
- There is no physical withdrawal of funds to the Investor's trading account and back;
  - All open positions are closed;
  - Any high profit watermark provision calculation is reset
- 14.4.** Following migration, if a deposit commission charge applies as per the new offer selected, the appropriate amount will be deducted from the Investors account irrespective of the fact that the Investor may have paid some deposit commission in past while accepting some other offers.
- 14.5.** Company reserves the right to delete a customer account if it remains unfunded for a period of sixty consecutive days.

## 15. PAMM AND MANAGED ACCOUNTS CALCULATIONS

- 15.1.** COMPANY calculates Investor's balance in accordance with the following formula:

Balance = Deposits – Withdrawals +/- profit/loss

Whereby:

Deposit = the amount of all deposits credited in the Investors account

Withdrawals = the amount of all withdrawals debited from the Investors account

Profit/loss = profit or loss from all closed trades performed in the Investors account (includes swaps and commissions)

Equity = Balance +/- open profit/loss + virtual credit

Whereby:

Open profit/loss = profit or loss from open positions (calculated on the basis of current market prices)

Virtual credit = non-withdrawable part of Investor's account that increases Investors equity

- 15.2.** The calculation of the managed Investor funds is done using the following rules:
- The amount of managed investor funds is equal to all Investor's balance allocated in the Investor's sub account at any moment
  - In case an Investor wants to withdraw funds from his/her account all fees payable are calculated and if the withdrawal would cause that the investors equity left is smaller than amount of payable fees then the fees are deducted and the Investor has to request a new withdrawal through COMPANY Online Terminal.
- 15.3.** The performance fee of the Attorney from the achieved profit is calculated according to the following formula:
- Profit/Loss \* Fee / 100
- Profit/Loss = profit or loss from all closed trades performed on the Investors account by currently subscribed strategy (including Swaps and Commissions)
- Fee = Remuneration of the Attorney from profit according to the Offer.

If this formula's calculation result is negative, then no payment is made.

In the case of a positive profit value Attorney's Remuneration may be paid:

- During the calendar month following the month for which the positive value was calculated

- 15.4.** The remuneration of the Attorney is calculated according to the high profit watermark principle. In accordance with the High profit Watermark Principle; all negative amounts of profit/loss are carried forward to the next month where they are added to the actual month calculated amount. If the resulting amount is still negative then it is again carried forward to the next month etc. If the resulting amount is positive then the calculation is performed and the remuneration is executed. When client changes Attorney

then all high profit watermark is reset.

**15.5.** The remuneration of the Attorney for management is calculated according to the following formula:

**Equity \* Fee/100/12**

Whereby:

Equity = Investor's Equity at the end of every calendar month

Fee = Attorney's Remuneration for management according to the Offer

Attorney's Remuneration for management is made during each calendar month

**15.6.** The Commission Amount for Deposit is paid during the execution of a request for funds deposit to the Managed Account and is calculated according to the following formula:

**Deposit \* Commission/100**

Whereby:

Deposit = The amount of Deposit

Commission = The value of the Commission for Deposit according to the Offer

## 16. MANAGER'S OBLIGATIONS

- 16.1.** The Attorney based on his/her decisions and taking the inherent foreign currency trading risks into the consideration, engages in activities aimed at increasing the Attorney's Capital and Investor funds. In the event that COMPANY decides that the Attorney does not comply with Investor interests, it reserves the right to inform the Clients and/or liquidate the PAMM System.
- 16.2.** The Attorney confirms that:
- All the personal data that was provided to COMPANY while obtaining the status as a Client of COMPANY and the registration of the PAMM System is accurate;
  - All documents that regulate trading and non-trading operations, as well as these Terms, were carefully read and understood;
  - All of the Risks and implications of trading on the OTC foreign exchange market or on regulated market (if applicable) are clearly defined and understood.
- 16.3.** The Attorney agrees that he/she would be obliged to autonomously settle all possible claims or complaints against him/her by Investors or from the governing authorities, and under no circumstances will COMPANY or any of its owners or any of its representatives be involved in such legal matter.
- 16.4.** The Attorney shall continuously monitor and manage the PAMM System. COMPANY reserves the right to request explanations from the Attorneys for a continuous absence of operations in the appropriate PAMM System (the duration of such period will be determined at the discretion of COMPANY). If the Attorney has ignored the request and does not submit his/her comments within two (2) calendar days, or if his/her explanations were deemed inconclusive, COMPANY may publish on its website, or send letters to Investors, announcing the fact that a given PAMM System is no longer operational.
- 16.5.** The Attorney accepts the obligations to ensure full confidentiality of access details to the COMPANY Online Terminal. All the complaints regarding an unauthorized access to the Attorney's back-office area will be rejected if the server logs contain information that the actual Password and Login were used for this access.
- 16.6.** The Attorney accepts that possible technical issues and/or technical problems and/or technical difficulties may arise whilst using the COMPANY's trading platform and for these technical issues and/or technical problems and/or technical difficulties COMPANY shall not be held liable for any loss or damage or expense incurred by the Attorney or by relevant third parties in relation to, or directly or indirectly arising from but not limited to the following technical issues and/or technical problems and/or technical difficulties:
- Trading signals not copied into the Strategy Account;
  - Failure of the Attorney to immediately inform the Customer Support that positions on the Master Account and the Strategy Account are not "synchronized" – if position is not copied.
  - Trading signal(s) copied more than one time due to a technology issue;
  - Trading signal(s) is/are copied with delay due to a technology issue;
  - Trading signal(S) is/are copied with delay due to a technology issue and the Attorney at the same time manually opens the same position on the Strategy account, having as a result the duplication of this position on the Master Account;
  - The Attorney fails to manually close a position on the Strategy Account that is connected with the Master Account.
- 16.7.** The Attorney agrees that in case he or she notices any technical issues and/or problems and/or difficulties as those are defined under Clause 16.6 herein, he or she is obliged to immediately contact his Account Manager and COMPANY Support via phone or via email (support@fxbtrading.com and backoffice@fxbtrading.com )
- 16.8.** The Attorney is responsible for control available free margin on the Strategy account when he or she places trades manually on the Strategy Account and/or if he or she decides to copy more Master Accounts to one Strategy Account.
- 16.9.** The Attorney agrees that he/she is not entitled to:
- Affiliate him/herself with COMPANY, publicly or otherwise, in contracts and agreements either verbally or in writing;
  - Use COMPANY's trademark or its logo in documents or any Offer;
  - Make statements calculations or obligations on behalf of COMPANY on any public means of communications (such as forums,

journal articles, books, presentations, etc.).

- 16.10.** The Attorney agrees that, if as a result of his activities/actions, COMPANY will be presented with any claims or demands; he/she is obliged to settle all financial claims at his own expense (including all balances in his accounts, registered in COMPANY). In such event, all requests for Withdrawal of funds on behalf of the Attorney will be blocked and will not be executed until the full resolution of the conflict.

## 17. INVESTOR'S OBLIGATIONS

- 17.1.** The Investor confirms that:
- All the personal data that was provided to COMPANY while obtaining the status as a Client of COMPANY and the registration of the PAMM System is accurate;
  - All of the Risks and implications of trading on the OTC foreign exchange market or on regulated market (if applicable) are clearly defined and understood.
- 17.2.** The Investor agrees to pay all fees, as defined in the accepted Offer, such as:
- Remuneration of the Attorney from the profits;
  - Remuneration of the Attorney for management;
  - Commission for Deposit.
- 17.3.** The Investor agrees that all claims and complaints by third parties that may arise as a result of his activities, will be resolved independently by him and at own expense.
- 17.4.** The Investor accepts the obligations to ensure full confidentiality of access details to COMPANY Online Terminal. All complaints regarding unauthorized access to the COMPANY Online Terminal will be rejected if the server logs contain information that the actual Password and Login were used for this access.
- 17.5.** The Investor accepts that he/she will be able to review the history of the trades concluded as part of the strategy he/she accepted as described herein and in the "Terms and Conditions of Services Agreement" only through COMPANY Online Terminal.

## 18. CONFIDENTIALITY

- 18.1.** COMPANY is taking all measures possible to prevent third-party access to the personal information of its Clients. An exception can only be made if governmental agencies have presented a valid request.
- 18.2.** COMPANY only discloses the account number of the Investor to the Attorney. No additional information about the Investor is reported.

## 19. PAMM SYSTEM LIQUIDATION

- 19.1.** COMPANY, at its sole discretion, may decide to liquidate any PAMM System without any explanation. It may also liquidate a PAMM System if:
- Monitoring shows negative rates of return;
  - Trading activities have not been made for more than 15 Rollovers.
- 19.2.** The Attorney shall notify COMPANY of the liquidation of a PAMM System by filing a request through the COMPANY Online Terminal.
- 19.3.** Order of the liquidation:
- The Attorney and the Investor shall be notified of the PAMM System liquidation by any mean of communications available;
  - Information on the appropriate PAMM System's liquidation is placed on the COMPANY website;
  - After the decision to liquidate was made by COMPANY, during the upcoming Rollover, the following will take place:
    - Closure of all open positions at the current price on the market;
    - Cancellation of all pending orders;
    - Calculation of Management and Performance Fees,
    - Transfer of funds to the Attorney and Investor trading accounts respectively;
    - Liquidation of all Managed Accounts;
    - Liquidation of the PAMM System.
- 19.4.** PAMM System liquidation is completed by the delivery of the liquidation reports to the Attorney and the Investors.

## 20. RISK DISCLOSURES

**PAST PERFORMANCE IS NOT A GUARANTEE, NOR INDICATIVE OF FUTURE RETURNS, AS RETURNS MAY VARY ACCORDING TO MARKET CONDITIONS.**



- 20.1.** Trading in complex financial products, such as stocks, futures, foreign exchange ('Forex'), contracts for difference ('CFDs'), indices, options, or other financial derivatives, on 'margin' is speculative and may involve the loss of principal; therefore, funds placed under management should be risk capital funds that if lost will not significantly affect one's personal financial wellbeing.
- 20.2.** No representation is being made that participating in a managed account or managed trading program, such as a PAMM System, will necessarily lead to profit. Investors may incur into a series of consecutive losses and substantial equity- draw-downs that can deplete their funds before the occurrence of any meaningful profit accumulation.
- 20.3.** Investors should be aware of all the risks associated with trading these markets, and seek advice from an independent financial advisor if they have any questions or doubts. Investors should carefully read COMPANY's full Risk Disclosure, the Client Classification Policy, the Investor Compensation Fund Policy, the Client Complaints Policy, the Conflict of Interest Policy, the Privacy Policy and the Order Execution Policy, and the Terms and Conditions governing the PAMM System service.
- 20.4.** Investors should also be aware that, in addition to the risks inherent to the trading in complex financial products, such as stocks, futures, foreign exchange ('Forex'), contracts for difference ('CFDs'), indices, options, or other financial derivatives, on 'margin', as described in COMPANY's full Risk Disclosure, there are circumstances and risks unique to PAMM Systems, which include, but are not limited to:
- Possible losses, unrealized gains, etc., that may arise when investing in PAMM Systems;
  - Moral damage associated with financial losses;
  - Risk of the PAMM System liquidation;
  - The risk of losses resulting from technical difficulties that can lead to delays in transferring funds from one account to another;
  - The risk of the Attorney lacking required skills, experience and education;
  - The Risk of the Attorney's inability to access the PAMM System control due to either objective or subjective reasons;
  - The risk of actions aimed at inflicting financial losses to investors for profit by the Attorney;
  - The risk of a hacker attack, which can result in third parties accessing the PAMM System trading terminal;
  - Risk of payment of management fees, commissions and fees to the Attorney for allowing a hostile act against the Investors;
  - The risk of transition to a new Trading Interval because of the untimely filed or unprocessed request for withdrawal of funds by either objective or subjective reasons;
  - The risk of losses due to an untimely filed, or dismissed, claim against COMPANY on behalf of the Attorney for the violation of terms of trade;
  - The risk of delays in receiving information about changes to these Terms or the terms of trade;
  - The risk of a misunderstanding of the Terms & Conditions governing PAMM Systems or the terms of trade;
  - The risk of possible claims and indifferences with the tax and financial authorities of jurisdictions where the Attorney and/or the Investors is/are registered.

## 21. CHANGES AND THE VALIDITY OF THESE TERMS

- 21.1.** All provisions of these Terms shall come into force at the time the Client accepts the Offer.
- 21.2.** COMPANY may make changes to these Terms at any time and at its sole discretion.
- 21.3.** COMPANY shall notify its Clients of any change by any of the available means of communication. Amendments shall enter into force on the date designated in the notice of amendment, but not earlier than five (5) calendar days (including the day of mailing) from the time of mailing.
- 21.4.** All amendments will be posted on the COMPANY website.
- 21.5.** These terms and conditions are governed by the laws of St. Vincent and the Grenadines. All disputes arising under the present agreement shall be settled by the courts of St. Vincent and the Grenadines.