

FXNET LIMITED

Terms and Conditions of Business

1. INTRODUCTION

FXNET LIMITED (hereinafter referred to as 'FXNET' or the 'Firm') is an investment firm that operates as a global broker. Incorporated (Certificate of Incorporation No. 300624) in the Republic of Cyprus through the Department of Registrar of Companies and Official Receiver. FXNET is authorized and regulated by the Cyprus Securities and Exchange Commission ('CySec') under license number 182/12.

2. ACKNOWLEDGEMENT

- 2.1 The Client acknowledges that he/she read, understood and accepted the Terms and Conditions of Business ('the Terms and Conditions'), as amended from time to time in addition to any information contained within the Firm's website available online at <http://www.fxnet.com>.
- 2.2 By accepting the Terms and Conditions, the Client enters into a binding legal agreement ('the client agreement')
- 2.3 The Client acknowledges that his or her access of the Online Trading Facility is governed by the version of these terms and conditions that is in effect on the date on which FXNET's Online Trading Facility is accessed and/or used by the client.
- 2.4 The Client acknowledges that trading in any financial instrument involves a significant level of risk and may result in loss of all funds invested.
- 2.5 The Client acknowledges that the firm's official language is the English language.

3. SCOPE

- 3.1 The Terms and Conditions govern all the actions relating to each and all investment services FXNET is authorized to provide from time to time.
- 3.2 The Terms and Conditions are non-negotiable and override any other agreements, arrangements, express or implied statements made by FXNET unless the Firm determines – in its sole discretion - that the context requires otherwise.
- 3.3 FXNET reserves the right to amend, alter and modify delete or add to any of the provisions of these Terms and Conditions at any time in accordance with the terms hereof. If the Terms and

Conditions were to be amended (hereinafter referred to as “**Changes**”), reasonable notice shall be given by FXNET to the Client. All amended terms shall be effective five (5) calendar days after their initial posting on FXNET’s Online Trading Facility, or as of the first time that the Client access and or uses Online Trading Facility after such amendments were made, whichever is sooner. The Client’s continued use of FXNET’s Online Trading Facility after the publication of any Changes shall be considered as the Client’s agreement to such modified Terms and Conditions and shall be governed by those Terms and Conditions as modified. If the Client does not wish to be bound by those Changes, the Client should cease to access and/or use FXNET’s Online Trading Facility and inform FXNET in writing immediately.

- 3.4 The Distance Marketing of Consumer Financial Services Law N.242 (I) / 2004, which implements EU Directive 2002/65/EC, does not require the Terms and Conditions to be signed by either the firm or the Client in order for both the Firm and the Client to be legally bound by it.
- 3.5 It is expressly understood and agreed that neither this Agreement nor anything in it shall constitute or be deemed to establish a partnership, agency relationship or joint Venture between the Client (or any of its entities, offices, employees or agents) and the Company (or any of its offices, employees or agents).

4. COMMENCEMENT OF THE TERMS AND CONDITIONS

- 4.1 The Terms and Conditions and all other relevant agreements such as Order Execution Policy, Privacy Policy, Risk Disclaimer Policy, AML & KYC policies, or other policies, manuals and instructions which are available online within the website at www.fxnet.com, shall come into effect once the prospective Client receives an e-mail that contains the trading login details.

5. INTERPRETATION OF TERMS

- 5.1 Unless indicated to the contrary, the defined terms included in the Client Agreement shall have a specific meaning and may be used in the singular or plural as appropriate.

Account:

- Shall mean, the uniquely assigned account that is created for a Client when such Client opens a trading account with us

Agreement:

- Shall mean this Agreement, inclusive of all its annexes, appendices, addenda, attachments schedules and exhibits and amendments, as the same may be in force from time to time and modified and amended from time to time.

Anti-Money Laundering (“AML”) & Know Your Customer (“KYC”) Legislation:

- Shall mean, collectively, Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, as implemented in Cyprus Law by Cyprus Law No.188(I)/2007 and Cyprus Law No. L.58 (I) 2010 on the prevention and suppression of money laundering and terrorist financing, as the same may be in force from time to time and modified or amended from time to time.

Ask Price:

- Shall mean the price at which FXNET is willing to sell a financial instrument.

Authorized Representative:

- Shall mean either the natural or legal person who is expressly authorized by the Client to act on his/her behalf; the above mentioned relationship is documented through a Power of Attorney, a copy of which is held by the Firm.

Balance or Cash Balance:

- Shall mean the funds available in a trading account that may be used for trading financial instruments.

Balance Currency or Profit Currency:

- Shall mean the currency that the trading account is denominated in; it should be noted that all charges including spreads, commissions and swaps, are calculated in that currency.

Base Currency:

- Shall mean the first currency represented in the currency pair, for example in the EURUSD currency pair the base currency is EUR.

Bid Price:

- Shall mean the price at which FXNET is willing to Buy a financial instrument.

Client:

- Shall mean in general terms, any natural or legal person who received the e-mail referred to in section 4.1 above and/or a) who is interested in OTC Transactions and/or Contracts, b) who enters or has entered FXNET's Online Trading Facility, and/or c) who has submitted to FXNET all required Account Opening Application Form(s) – including in each instance without limitation, an original certified unexpired government-issued identification evidencing nationality, residence and bearing a photograph (e.g., driver's license, passport, Government residency card or similar identification), and a valid recent official utility (water, gas, electricity, etc.) bill showing name and address, as required under any relevant "Anti-Money Laundering ("AML") & Know Your Customer ("KYC") Legislation" obligations and/or procedures applicable to us, and whom has been accepted as a Client by FXNET in accordance with the terms of this Agreement, in the manner set forth herein, to whom Services will be provided by us.

Closed Position:

- Shall mean the opposite of an open position, thereby nullifying it and eliminating the initial exposure. Thus, profit or loss will be settled.

Contract:

- Shall mean any contract, unless the context otherwise requires, oral or written, for the purchase or sale of any commodity, security, currency or any other Supported Financial Instrument or property, including without limitation, any derivative contracts, such as CFDs or other transactions related thereto, entered into by and between us and our Client(s);

Contract for Difference (CFD):

- Shall mean, in the context of the Terms and Conditions, any actions taken by an issuer, whose listed securities are associated with the financial instruments traded through the FXNET trading platform(s), including but not limited to instances of: (i) stock split, (ii) consolidation, (iii) rights issue, (iv) merger and takeover and (v) dividends.

Cyprus Securities and Exchange Commission or CySec:

- Shall mean the statutory regulatory body which is currently based at Stasikratous 32, 4th Floor, 1065 Nicosia, Cyprus, and its successors and assignees or any replacement body thereof

Declared Price:

- Shall mean the price that the Client requested for either a Market Order,, Price Range or Limit Order and pending or an entry order.

Effective Date:

- Shall mean the date on which the Agreement enters into effect, as indicated on the confirmation e-mail sent by FXNET to a Client, indicating that such Client's Account Opening Application Form(s) has/have been accepted.

Electronic Trading Platform(s):

- Shall mean the online electronic trading platform(s) that is/are made available by the Firm to its Clients for placing Orders, requesting Price Quotes for Transaction(s) and/or Contract(s), receiving price information and market related laws as well as having a real-time revaluation of their open positions, through the Internet, where Transactions and/or Contracts in Financial Instruments can be processed through deal Requests and Deal Responses, Settlement Trade Confirmations can be issued, Accounts can be managed and historical data can be stored and managed.

Equity:

- Shall mean the balance plus or minus any profit or loss that derives from any open position.

Financial Instruments:

- All instruments that FXNET (the company) is authorized by the regulatory authority ('CySec') pointed in section 6.2 of this agreement.

Free Margin:

- Shall mean funds that are available for opening a position. It is calculated as: $\text{Free Margin} = \text{Equity} - \text{Margin}$

Market Order:

- Shall mean an order in which FXNET makes every effort to execute at the best available price. Generally this order will be executed immediately. However, the price at which a market order will be executed is not guaranteed, and may be executed at a worst or better price.

Price Range or Limit Order:

- Shall mean an order to sell a financial instrument at no less than a specific price or to buy a financial instrument at no more than a specific price.

Lot:

- Shall mean the unit that represents the volume of a transaction. It should be noted that 1 lot equals 100.000 units of base currency, for example 1 lot in EURUSD equals EUR100.000; therefore, 0.1 of a lot is 10,000 units of base currency.

Market:

- Shall mean any regulated market, or multilateral trading facility (as such terms are defined in the CySec Rules) on which Underlying Instruments are being traded.

Margin or Margin Used:

- Shall mean the committed funds for the purposes of maintaining an open position.

Margin Level:

- Shall mean the Equity to Margin ratio calculated as $\text{Margin Level} = \text{Equity} / \text{Margin}$

Open Position:

- Shall mean any transaction or contract which resulted from an executed order, and which is still in effect, unsettled, non-concluded, by assuming varying profit or loss in accordance with price movements of financial instrument(s).

Over-the-Counter (OTC):

- Shall mean trading of financial instruments directly between two parties, outside of an exchange traded environment.

Party:

- Shall refer to FXNET and/or its Client(s), as the case may be, as it appears from the context in which the term is used in this Agreement; FXNET and its Client(s) may collectively, be referred to in this Agreement as the “Parties”

Pending Order or Entry Order:

- Shall mean either a buy stop, or sell stop, or buy limit, or sell limit order. An order to be executed at a later time and a price that the client specifies.

Trailing Stop:

- Shall mean a stop loss order input in terms of points (pips) below the market price - for a long position and above the market price – for a short position. The trailing stop price is adjusted as the price fluctuates.

Stop Loss:

- Shall mean an instruction that is attached to an open order if the type is a market order and an instruction that is attached to a price range or limit order before execution for minimizing loss. In the case of market order negative or positive slippage might occur.

Take Profit:

- Shall mean an instruction that is attached to an open order if the type is a market order and an instruction that is attached to a price range or limit order before execution for securing profit. In the case of a market order negative or positive slippage might occur.

Terms:

- Shall mean these Terms and Conditions which governs FXNET's relationship with its Clients.

Trading Account:

- Shall mean the account, which has a unique number, maintained by a Client for the purposes of trading financial instruments through the FXNET trading platform(s).

Value Date:

- Shall mean the delivery date of funds.

Counter Currency:

- Shall mean the second currency represented in a currency pair, for example in the EURUSD currency pair variable currency is the USD.

Swap:

- Shall mean the overnight interest rate credited or debited on the open position.

Spread:

- Shall mean the difference between the bid and ask prices quoted in FXNET's trading platforms.

Mark-UP:

- Shall mean the additional spread added on the bid or ask quotes received from the various liquidity providers.

Positive Slippage:

- Shall mean the difference between the expected executed price of an order, and the price at which the order is actually executed at. In this case the order executes at a better price.

Negative Slippage:

- Shall mean the difference between the expected executed price of an order, and the price at which the order is actually executed at. In this case the order executes at a worse price.

6. SCOPE OF SERVICES

6.1 As part of the Brokerage service of OTC margin trading, the Company offers clients the following:

Investment Services:

- Reception and transmission of orders in relation to one or more Financial Instruments.
- Execution of Orders

Ancillary Services:

- safekeeping and administration of Financial Instruments for the account of Clients, including custodianship and related services
- Granting credits or loans to an investor to allow him to carry out a transaction in one or more Financial Instruments where the firm is involved in the transaction.
- Foreign exchange services where these services are connected to the provision of investment services.
- Investment research and financial analysis or other form.

6.2 Financial Instruments

- Transferable Securities.
- Money-market instruments.
- Units in collective investment undertakings.
- Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash.
- Financial contracts for difference
- Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates, emission allowances or inflation rates or other official economic statistics that must be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event), as any other contract relating to assets, rights, obligations,

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indices and measures not otherwise mentioned in this part, which have the characteristics of other financial instruments, having regard to whether, inter alia, are traded on a regulated market or an MTF, are cleared and settled through recognized clearing houses or are subject to regular margin calls.

- 6.3 The trading conditions and execution rules of the financial instruments on offer by FXNET can be found online at <http://www.fxnet.com>, at any given time. Upon notice to the Client, FXNET reserves the right to amend, from time to time. Even if the Firm amends any part of the trading conditions and/or execution rules the Client continues to be bound the Agreement, including but not limited to any amendments that have been implemented.
- 6.4 Unless specifically agreed, FXNET is under no obligation to monitor or advise the Client on trading unless the client is accepted for receiving service of investment advice; therefore the Firm may execute an instruction received by the Client even if such transaction is not suitable for the Client.
- 6.5 FXNET, from time to time and as often as it deems appropriate, may issue material (the “**Material**”), which contains information including but not limited to the conditions of the financial market, posted through its website and other media and/or through the Firm’s internal e-mail system. It should be noted the Material is considered to be marketing communication only and does not contain, and should not be construed as containing, investment advice unless accepted for the service of investment advice, or an offer of or solicitation for any transactions in financial instruments. FXNET makes no representation and assumes no liability as to the accuracy or completeness of the information provided, nor any loss arising from any investment based on a recommendation, forecast or other information supplied by any employee of FXNET, a third party or otherwise research. All expressions of opinion included in the Material are subject to change without notice. Any opinions made may be made personal to the author and may not reflect the opinions of FXNET.
- 6.6 The Client understands that no physical delivery of a CFD’s underlying instrument (or reference instrument) that he/she traded through his/her trading account shall occur.
- 6.7 The Client accepts that for the purposes for the financial instruments provided by the Company, the Company act as an agent on the Clients behalf; therefore the Company is not the sole Execution Venue of the Client orders. The Company will transmit the Client orders in the external market (other liquidity providers) if the order is for the financial instrument provided by the Company.
- 6.8 The Client may trade through his/her trading account from Sunday 22.00 (GMT) until Friday 22.00 (GMT) for daylight saving hours whereas for the rest of the year between Sunday 21.00 (GMT) until Friday 21.00 (GMT). It should be noted that trading of certain financial instruments occurs during specific time frames; the Client shall be notified of any Firm holidays through the internal e-mailing system and/or the Firm’s website www.fxnet.com.

- 6.9 FXNET is entitled to refuse the provision of any investment or ancillary service to the Client, at any time, without being obliged to inform the Client of the reasons to do so in order to protect the legitimate interests of both the Client and the Firm.

7. ELECTRONIC TRADING

- 7.1 Once the Agreement commences according to paragraph 4.1 of the Client Agreement, the Client shall:
- Download and install the trading platform(s) software ('the Software') available online at <http://www.fxnet.com>, and/or access his or her account through the Web-based trading platforms of the Company; and
 - Receive, through an e-mail, access codes ('the Access Codes') to enable him/her to log-in to the trading platform(s) in order to send and/or modify instructions for the purposes of trading financial instruments.
- 7.2 The Software, which may have been developed by a party other than FXNET, supports data security protocols compatible with the protocols used by the Firm.
- 7.3 The Client shall be solely responsible for any instructions sent and/or received through the trading platform(s) from the Client or his/her authorized representatives.
- 7.4 The Client shall ensure that his/her Access Codes remain confidential at all times. If, under any circumstances, the Client reveals the Access Codes to either natural or legal person, other than his/her authorized representative, the Firm shall bear no responsibility for any loss that arises, including but not limited to financial loss, as result of the Client's actions. Without prejudice to any other provisions of these Terms and Conditions, the Client will be liable for all Transactions and/or Contracts executed by means of his or her Access Codes, even if such may be wrongful.
- 7.5 The Client shall immediately inform FXNET if it comes to his/her attention that the Access Codes have been used, either for trading or other purposes, without his/her express consent. The Client accepts that FXNET is unable to identify any instances when a person, other than the Client or his/her authorized representative, is logging-in to the trading platform(s) without the Client's express consent.
- 7.6 The Client accepts that FXNET reserves the right to terminate the Client's access to the trading platform(s) in order to ensure and/or restore the orderly operation of the trading platform(s) and protect the interests of both the Clients and the Firm; under such circumstances FXNET may, at its discretion, close any of the Clients's trading account(s).

- 7.7 The Client accepts that FXNET bears no responsibility if either a natural or legal person attains through unauthorized access any information, including information regarding Client's trading, whilst such information is being transmitted from the Client to the Firm (or any other party authorized by the Firm) and vice versa; such transmission may either occur through electronic or other means.
- 7.8 The Client accepts that the Firm bears no responsibility for any loss, including but not limited financial loss, incurred by the Client due to inability of the latter to access the trading platform(s) if this has been caused:
- due to the Client's failure to maintain the Software updated as required or
 - due to any mechanical, software, computer, telecommunications or electronic system failure that could have been controlled by either the Client or the Firm.
 - Internet failure
- 7.9 FXNET is responsible for maintaining its trading platform(s) and other related systems updated; therefore, the Client accepts that the Firm or a relevant third party may, from time to time, perform maintenance that may include shutting down, restarting, or refreshing the servers to ensure the effective and efficient operation of the trading platform(s) or other related systems; these actions may cause the trading(s) or other related systems to be inaccessible for a period of time. The Client accepts that the Firm bears no responsibility for any loss, including financial loss, caused due to any of the above.
- 7.10 The Client accepts that FXNET is not an internet service or electricity provider; consequently, the former accepts that FXNET is not responsible for any failure to provide an investment or ancillary service, If such failure arises as a direct or an indirect result of an internet service or electricity failure. Accordingly, any Instruction sent by the Client or on the Client's behalf via FXNET's Online Trading Facility or by e-mail shall only be deemed to have been received and shall only then constitute a valid Instruction and/or binding Contract between you and us, when such Instruction has been recorded as executed by FXNET or on FXNET's behalf shall not by itself constitute a binding Contract between the Client and FXNET.
- 7.11 If for any reason the Client is unable to access that trading platform(s) in order to send an instruction for the purposes of trading financial instruments he/she may contact the Dealing Department by email at dealing@fxnet.com or call on +357 25108111 to place a verbal instruction. It should be noted that the Firm reserves the right to reject such verbal instruction when the operator of the Dealing Department is not satisfied with the Client's identify or clarity of instructions; under such circumstances, FXNET reserves the right to request from the Client to transmit an instruction through another mean. The Client accepts that the times of excessive transaction flow there might be some delay in connecting over the telephone with a member of the Dealing Department, especially when there are important market announcements.
- 7.12 The Client accepts that when using FXNET's Online Trading Facility, the Client must:
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- ensure that his or her computer systems are maintained in good order and are suitable for use with FXNET's Online Trading Facility;
- run such tests and provide such information to FXNET as FXNET shall reasonably consider necessary to establish that the Client's computer systems satisfy the requirements notified by FXNET to the Client from time to time ;
- carry out virus checks on a regular basis;
- inform FXNET immediately of any unauthorized Transaction or Instruction which the Client knows of or suspect and, if within the Client's control, cause such unauthorized use to cease; and
- not at any time leave the computer terminal from which the Client has accessed FXNET's Online Trading Facility or let anyone else use such computer terminal until the Client has logged off from FXNET's Online Trading Facility.

7.13 The Client understands and agrees that FXNET is the sole counterparty in relation to the platform providers, and therefore the Client will not bring any legal action, whether in tort, including negligence, breach of contract or otherwise, to any third party software and/or technology providers whose products and services assist in providing the platform to the Client.

8. 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) in Cyprus, FXNET LTD (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.

"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 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 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:

8.1 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.

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

Large undertakings meeting two of the following size requirements on a proportional basis:

- a) balance sheet total of at least EUR 20,000,000
- b) net turnover of at least EUR 40,000,000
- c) own funds of at least EUR 2,000,000

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.

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 nonprofessional 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.

8.2 **Clients who may be treated as Professionals on request**

Identification criteria:

- Clients other than those mentioned in 8.1 above, 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 8.1 above.
- 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:

- a) 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,
- b) the size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds EUR500,000
- c) 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.

Procedure:

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

- a) 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,
- b) the Company will give them a clear written warning of the protections and investor compensation rights they might lose,
- c) 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 8.2 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 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 will take appropriate actions.

8.3 Request for different Categorization

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.

8.4 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) If the Company provides an investment service other than investment advice to a new retail client for the first time after 1 November 2007, the Company must enter into a written basic agreement with the Client, setting out the essential rights and obligation of the firm and the client.

(i) We shall not use financial instruments held by us on behalf of a client for our own account or the account of another client of ourselves, 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.

(j) Retail clients may be entitled to compensation under the Investor Compensation Fund for Bank Client or the Investor Compensation Fund for Clients of Investment Firms, as the case may be.

8.5 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 have 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.

9. Investor Compensation Fund

- Pursuant to section 17 of the Investment Services and Activities and Regulated Markets Law of 2007 ('the Law'), "A Cypriot Investment Firm ('CIF') must be a member of the Investment Compensation Fund ('ICF')". According to section 58 of the Law, a CIF is not allowed to provide investment services without participating in the Investors Compensation Funds.
- The main purpose of the Investor Compensation Fund for clients of Cypriot Investment Firms is to secure the claims of the "Covered" clients against Cypriot Investment Firms, in situations where the latter is unable to meet such of its duties as arise from its clients' claims in connection with the investment services or the ancillary services it has provided, as long as such inability is directly related to its financial circumstances in respect of which no realistic improvement in the near future seems foreseeable.
- The Fund compensates the covered clients for claims arising from the covered services provided by its members, so long as failure by the member to fulfill its obligations has been ascertained. Failure by a member to fulfill its obligations consists of its failure to:
 - a) Either to return to its covered clients funds owed to them or funds which belong to them but are held by the member, directly or indirectly, in the framework of the provision by the said member to the said clients of covered services, and which the latter requested the member to return, in exercise of their relevant right;
 - b) Or to hand over the covered clients' financial instruments which belong to them and which the member of the Funds holds, manages or keeps on their account, including the case where the member is responsible for the administrative management of the said financial instruments.

9.1 The ICF

- In accordance to Section 60 of the Law, the management of the ICF, which includes their administration and representation, is exercised by an Administrative Committee consisting of five members, who must be of acknowledged authority and morals and have the necessary knowledge on financial or accounting or bank issues or issues of the capital market to discharge their duty.

9.2 Covered Clients

- ICF protects all clients of the CIF, except clients listed under the Law, Second Appendix (section 2), particularly:
 1. Credit Institutions;
 2. IFs;
 3. Other authorized or regulated financial institutions;
 4. Insurance undertakings;
 5. Collective investment schemes and management companies of such schemes;
 6. Pension funds and management companies of such funds;
 7. Commodity and commodity derivatives dealers;
 8. Locals;
 9. Other institutional investors;
 10. Large undertakings meeting TWO of the following size requirements, on a proportional basis:
 - * Balance sheet total at least 20 000 000 euro
 - * Net turnover at least 40 000 000 euro
 - * Own funds at least 2 000 000 euro
 11. 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;
 12. Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitization of assets or other financing transactions;
 13. Administrative officers and directors of Ifs and persons closely linked
 14. Undertakings connected to any IF which has become insolvent.

9.3 Covered Services

- ICF shall compensate all clients of any of its members established in the Republic in respect of claims arising out of the investment services they provide as well as ancillary services. ICF shall pay no compensation in respect of claims arising out of transactions involving individuals convicted of a criminal offence pursuant to the Prevention and Suppression of Money Laundering Activities Law.

9.4 Amount of Compensation

- In accordance with Article 56 of the Investment Firms (IF) Law of 2002 to (No.2) of 2004, the compensation shall be of an amount of up to Twenty Thousand Euro (20.000). "Such compensation shall apply to the investor's aggregate claims as against a member of an ICF, irrespective of the number of accounts held, the currency and location of the provision of service",

Note: The Establishment and Operation of the Investor Compensation Fund for Clients of IF's that were issued pursuant to the Investment Firms (Ifs) Law of 2002, remain in force until they are replaced pursuant to the new Law.

10. Order Execution Policy

10.1 Introduction

- FXNET LTD ("the company") is an investment firm that operates as a global broker and is regulated by the Cyprus Securities and Exchange Commission ("CySEC") under license number 182/12
- This policy contains the most important and relevant components of the FXNET LTD (hereinafter called the "company") execution policy which will provide information in respect to orders and help clients to use effectively the FXNET LTD order execution services
- FXNET LTD reserves the right to amend the Order Execution Policy without any notice. Every amended on this policy will be posted on the FXNET's website at www.fxnet.com and it will be freely accessible by anyone.

10.2 Scope of the Policy

- The company is obliged to take all reasonable steps to obtain the best possible result ("best execution") on behalf of its clients when executing orders.
- The Firm is required to provide appropriate information to its clients on its Order Execution Policy; and orders with specific instructions from clients will be executed following these specific instructions.
- The Policy does not apply to Eligible Counterparties.

- This Policy applies where the Company transmitting orders for execution for the Client in all financial instruments available in the Company's website at www.fxnet.com. It is up to the Company's discretion to decide which types of financial instruments to make available and to publish the prices at which these can be traded.
- This Policy forms part of our Terms and Conditions of Business and is incorporated therein by reference. Therefore, by agreeing to our Terms and Conditions of Business, which are a contractually binding agreement between you and the Company, you are also agreeing to the terms of the Policy set forth in this document.

10.3 **Financial Products to which this policy applies:**

- Transferable Securities.
- Money-market instruments.
- Units in collective investment undertakings.
- Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash.
- Financial contracts for difference
- Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates, emission allowances or inflation rates or other official economic statistics that must be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event), as any other contract relating to assets, rights, obligations, indices and measures not otherwise mentioned in this part, which have the characteristics of other financial instruments, having regard to whether, inter alia, are traded on a regulated market or an MTF, are cleared and settled through recognized clearing houses or are subject to regular margin calls.

10.4 **The Company gives the option to its clients to place orders for transmittal in the following ways:**

- A "market order" which is an order that the Company makes every effort to execute at the best available price. Generally, this order will be executed immediately, however, the price at which a market order will be executed is not guaranteed, and may be executed at a worse or better price, known as negative or positive slippage. The Client may attach a stop loss and/or a take profit and/or a trailing stop after the market order is executed.
- A "limit or range order" which is an order to sell a financial instrument at no less than a specific price or to buy a financial instrument at no more than a specific price. The Client may attach a stop loss and/or a take profit before the order is executed. In this case the order will be executed at the price specified or better. A trailing stop can be attached after the order is executed.

- A “pending order” or a “entry order” which is an order to be executed at a later time and a price that the client specifies. When the price reaches the price specified by the Client, then the order becomes a market order. Negative and positive slippage applies to pending orders. The client has the option to place the following pending or entry orders:
 - i) A Buy Limit Order, which is a pending or entry buy order placed below the current market price. If the market price drops to the level of the buy order that order is then triggered.
 - ii) A Buy Stop Order, which is a pending or entry buy order placed above the current market price. If the market price rises to the level of the buy order that order is then triggered.
 - iii) A Sell Limit Order, which is a pending or entry sell order placed above the current market price. If the market price rises to the level of the sell order that order is then triggered.
 - iv) A Sell Stop Order, which is a pending or entry sell order placed below the current market price. If the market price drops to the level of the sell order that order is then triggered.
- A “trailing stop order” which is a stop loss order set in terms of points (pips) level below the market price - for a long position and above the market price – for a short position. The trailing stop price is adjusted as the price fluctuates.

10.5 Best Execution Criteria

When executing a client order, FXNET LTD may take into account the following criteria for determining the relative importance of price, costs, speed, likelihood of execution and settlement, size and any other consideration relevant to order execution (the “execution factors”):

- the characteristics of the client including their classification as retail or professional;
- the characteristics of the client order;
- the characteristics of the financial instruments that are the subject of that order; and
- 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 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.

10.6 Best Execution Factors

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

Agios Athanasios Avenue, No. 58-60 El Greco Building Flat 202, 4102 Limassol, Cyprus

Price:

- Bid – Ask Spread: For any given Financial Instrument the Company will quote two prices: the higher price ('ASK' at which the client can buy (go long) that Financial Instrument, and the lower price ('BID') at which the client can sell (go short) that Financial Instrument; collectively they are referred to as the Company's price. The difference between the lower and the higher price of a given Financial Instrument is the 'spread'.

Orders:

- Such orders as 'Buy Limit', 'Buy Stop' and 'Stop Loss'/'Take Profit' for opened short positions are executed at 'ASK' price. Such orders as 'Sell Limit', 'Sell Stop' and 'Stop Loss'/'Take Profit' for opened long position are executed at 'BID' price. All orders once triggered are executed as market orders at the best available price.

Costs:

The client is charged a spread (liquidity quoted prices plus a mark-up) and may be requiring paying swaps (overnight interest rate) or commission, if applicable, in some financial instruments depending on the account type and platform used. Commissions and Swaps are not incorporated in to the company's quoted prices, but charged separately.

- Swaps are charged in the form of points (pips) or monetary terms depending on the financial instrument, which are based on market interest rates, which may vary from time to time. FXNET has the right to change the swap rates at any given time without any notice. Swaps are disclosed in the 'Products' inside the Company's website. During times where swaps are charged, clients may experience slight delay in execution and/ or significant slippage as a result of the rollover interest calculations imposed from the Company's Liquidity Providers
- Commissions may be charged in the form of a fixed amount or in terms of points of the overall value of the trade.

Speed of Execution:

- The Company acts as an agent and not as a principal on the client's behalf, therefore, the Company's Execution Venues for the execution of the Client's orders are Banks or other Dealer-Brokers. So, speed of execution depends on these Execution Venues. However, 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.

Likelihood of Execution:

- The Company acts as an agent and not as a principal on the Client's behalf; therefore, the Company's Execution Venues for the execution of the Client's orders for the financial instruments offered by the company are Banks or other Dealer-Brokers for Client's orders. As the Company

received direct liquidity from the markets the execution may be more difficult. This means that likelihood of execution depends on the availability of prices of other market makers/financial institutions (Execution Venues). This means that likelihood of execution depends on the availability of prices of other market makers/financial institutions. Although the Company arranges for the execution of all orders placed by the Clients, it reserves the right to decline an order of any type or to execute the order at the best available price.

Likelihood of settlement:

- The Company shall proceed to a settlement of all transaction upon execution of such transactions.

Size of order:

- The minimum size of an order is 0.1 lots, which depends on the account type. A lot is a unit measuring the transaction amount and it is different for each type of financial instrument. Please refer to the "Products" in the Company's website for the value of each lot for every financial instrument. 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. The maximum order size for all account types is 20 lots, but the Company reserves the right to alter the maximum order size at any given time. The Company reserves the right to decline an order.

10.7 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 in the various financial instruments offered, the Company acts as an agent on the Client's behalf and not as a principal; therefore, the Company's Execution Venues for the execution of the Client's orders are various Banks and other Dealer-Brokers. The Client acknowledges that the transactions entered in financial instruments with the Company are not undertaken on a recognized exchange or an MTF (Multilateral Trading Facility), rather they are undertaken over the counter (OTC) through the Company's Trading Platform and, accordingly, they may expose the Client to greater risks than regulated exchange transactions.

10.8 Execution Risks:

- **Market Volatility:**
There may be significant market movement after a news announcement or economic event or between the close and re-opening of a market which will have a significant impact on the execution of an order. Clients should be aware of the following risks associated with volatile markets, especially at or near the close of the standard trading session:
 - i) an order may be executed at a substantially different price from the quoted bid or offer.
 - ii) executed or may be executed in several shapes at different prices; and
 - iii) Opening prices may differ significantly from the previous day's close.

In respect to the above market risks, the Company will take all reasonable steps to obtain the best available price for its clients.

- **Slippage**

Due to fast moving markets, all type of orders as disclosed in section 8.4 of this policy will be executed at prices worse or better, although the Company will take all reasonable steps to provide clients the best available price.

- **Technical errors**

In some cases delays in execution beyond our control may occur as a result of technical failures or malfunctions in connection with use of the FXNET Online Facility or internet connectivity or processing speed for which FXNET does not accept responsibility.

10.9 **Monitor & Review**

FXNET LTD will monitor the effectiveness of its order execution arrangements and this Policy and regularly assess whether or not the execution venues it accesses continue to provide the best possible results for orders it executes on behalf of clients. The Company will review, at least annually or when a material change occurs, both its order execution arrangements and this Policy. Material changes to this Policy will be notified through the FXNET website and be available to actual and potential clients.

10.10 **Client Consent**

- When 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 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. So, if you enter into a separate Agreement with the Company you are also consenting to this Policy.

10.11 **Market Hours**

- 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 Company's operation time for all Trading Platforms is from Sunday 22:05 GMT through Friday 22:00:00 GMT. In some financial instruments trading hours are different. Trading hours for every financial instrument offered, are disclosed in 'Products' in the Company's website. Holidays or other changes in trading hours are announced via the Company's main website and platforms e-mail systems.

11. GENERAL RISK DISCLOSURES

11.1 Introduction

- FXNET Ltd 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 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 is willing to undertake this risk. The Client should not engage in any investment directly or indirectly in Financial Instruments unless he knows and understands the features risks involved for each one of the Financial Instruments. If the Client is in any doubt as to the suitability of any investment he should seek independent expert advice.

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.

11.2 Risk Warnings

The Client should declare that he has read, comprehends and unreservedly accepts the following risks and any resulting financial loss:

- a) 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.
- b) Some Financial Instruments may not become immediately liquid as a result e.g. of reduce 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.
- c) 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.
- d) 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.
- e) 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. 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.

- f) The Client must not purchase a derivative financial instrument 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.
- g) Prior to applying for an account the Client should consider carefully whether investing in a specific Financial Instrument is suitable for him in the light of his circumstances and financial resources.
- h) The Client shall be responsible for the risks of financial losses caused by the failure of information, hardware or software, Client Terminal, communication, electronic and other systems. The result of any system failure may be that his order is either not executed according to his instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure.
- i) The Company is not an Internet Service Provider and cannot be responsible for not fulfilling any obligations under the Agreement with its Client because of internet connection failures or public electricity network failures or hacker attacks.
- j) The Company shall not be held responsible in the case of delays or other errors caused during the transmission of orders and/or messages via computer or other methods of communication.
- k) The Client shall/will bear the risk of any financial losses caused by the fact that the Client has received with delay or has not received at all any notice from the Company.
- l) The Client understands that unencrypted information transmitted by e-mail is not protected from any unauthorized access.
- m) The Client accepts the risk of any financial losses caused by the unauthorized access of the third party to the Client's Account or any Access Data.
- n) The Client accepts the risk of financial loss due to a Force Majeure Event.
- o) Under Abnormal Market Conditions the period during which client Orders are transmitted for execution may be extended or not executed at all.

11.3 Tax and Commissions

The Client should take the risk that his 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 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 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.

11.4 Third Party Risks

The Following types of third party risks exist and the client accepts any resulting financial loss:

- a) The Company may pass money received from the Customer to a third party (e.g. an intermediate broker, a bank, a market, a settlement agent, a clearing house or OTC counterparty located outside Cyprus) to hold or control in order to effect a Transaction through or with that person or to satisfy the Customer's obligation to provide collateral (e.g. initial margin requirement) in respect of a Transaction. The Company has no responsibility for any acts or omissions of any third party to whom it will pass money received from the Customer.
- b) The legal and regulatory regime applying to any such third party person will be different from that 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 Cyprus. The Company will not be liable for the solvency, acts or omissions of any third party referred to in this clause.
- c) The third party to whom the Company will pass money may hold it in an omnibus account and it may not be possible to separate it from the Customer's money, or the third party's money. 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 Customer, and the Customer 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 Customer with claims in respect of the relevant account. The Company does not accept any liability or responsibility for any resulting losses.
- d) The Company may deposit Customer money with a depository who may have a security interest, lien or right of set-off in relation to that money.
- e) A Bank or Broker through whom the Company deals with could have interests contrary to the Customer's Interests.
- f) The Company cannot and shall not be responsible for any credit risk of its counterparties and/or financial institutions.

12. INDUCEMENTS AND COST

12.1 Costs

The provision of services by the Company is subject to the payment of costs, fees etc. (the "Costs"). In addition to those Costs, other costs may be due by Clients directly to third parties. Changes to its costs will be notified to Clients by the Company through the website. In case of changes to fees of the Company, the Client may, within a period of 30 days from the notification, terminate the relationship with the Company. This paragraph applies to retail Clients only.

12.2 Inducements

When providing a service to a Client, the Company may pay or receive fees, commissions or other nonmonetary benefits from third parties as far as permissible. To the extent required by law, the Company will provide information on such benefits to its Clients in accordance with the provisions of Clause 11.2 herein (Provision of information). This paragraph applies to retail Clients only.

12.3 Charging Structure

The Company charge commission which varies per account type just a spread and a swap rates/rollover fees which may apply. The client may choose the option of fixed or variable (floating) spreads. For further information in respect to the commercials please refer to the Company's website at www.fxnet.com.

13. Trading Platforms

- 13.1 The Firm, at margin level of less than 20% has the discretion to begin automatically closing positions.
- 13.2 In the context of the trading platforms it should be noted that every Friday at 19:00 GMT Margin Level will be adjusted to 100% without any prior notification. Therefore, open orders with margin level less than 100% will be automatically closed at market price. Margin Level will be adjusted at normal values every Sunday at 22:00 GMT, as disclosed in "Products" in the Company's website.
- 13.3 The Client accepts that FXNET bears no responsibility for the download, installation and use of any third-party trading related solutions such as expert advisors or trailing stops.
- 13.4 **Meta Trader 4** the Client should bear in mind that in terms of volume financial instruments, traded through the trading platform(s), are measured in lots and the minimum volume of a transaction is 0.01 lot.
- 13.5 **Delta Margin** the Client should bear in mind that in terms of volume financial instruments, traded through the trading platform(s), are measured in lots or monetary terms and the minimum volume of a transaction will be 0.1 or 10, 000 units of base currency.
- 13.6 **Simple Trader** the Client should bear in mind that in terms of amount(s) to invest, financial instruments traded through FXNET's Simple Trader are measured in monetary terms and the minimum volume of a transaction will be 1000 units of base currency
- 13.7 The Client shall set the leverage that may range from 1:1 to 1:500, during the account opening process and he/she may send a request to amend the leverage level, at any time, through FXNET at <http://www.fxnet.com>. It should be noted that the Firm shall monitor leverage applied to Client's positions, at all times; the Firm reserves the right to decrease the leverage depending on the Client's trade volume or balance.

More specifically, the Firm will permit clients to use a leverage of up to 1:500 for Equity of less than \$10,000.00 (or equivalent amount in other currencies) and may reduce the maximum

available leverage to 1:200 for Equity that is greater than \$10,000.00 (or equivalent amount in other currencies).

- 13.8 FXNET reserves the right to amend, at any time, the product specifications of such financial instruments, available online at <http://www.fxnet.com>, in order to respond to a number of situations including but now limited to specific market conditions. The Client is liable for ensuring that he/she remains informed, at all times, regarding the latest product specifications.

14. REFUSAL TO EXECUTE ORDERS

- 14.1 The Client accepts that FXNET shall have the right, at any time, to refuse as its discretion the provision of any investment or ancillary service, including but not limited to the execution of instructions for the purposed of trading financial instrument, without providing notice to the Client.

FXNET had reasonable grounds to believe that the execution of a Client's order may:

- i. affect the orderly function of the market;
- ii. constitutes an abusive exploitation of privileged confidential information;
- iii. contributes to the laundering of illegal funds;
- iv. affects in any manner the reliability or orderly operation of the trading platform(s);
and
- v. the Client's order related to the purchase of a financial instrument but there is insufficient free margin in the relevant trading account to cover such purchase and any applicable charges.

- 14.2 FXNET reserved the right to refuse the execution of pending order and/or modify the opening/closing price of an order if a technical or other error occurs.
- 14.3 The Client accepts that the Firm may refuse to execute an instruction for trading financial instruments, if conditions described in paragraph 10.1.1, are triggered.
- 14.4 The Client accepts that if FXNET were to refuse the execution of a Client's order, under the 'Refusal to Execute Orders' section, the obligations of the Client under the Agreement shall remain unaffected.

15. Privacy Policy:

15.1 All informational material collected on this website is held by FxNet Ltd in the strictest confidence. FxNet Ltd considers one of its highest priorities to be the privacy and integrity of the personal information of its Clients, and devotes the maximum amount of attention to keeping the said information safely stored as well as used appropriately and only with the required authorization. Any and all of the information that is received from the Client is handled with care and an appropriate level of confidentiality.

15.2 FxNet Ltd incorporates strict rules and specific procedures into the day-to-day running of the company in order to guarantee its Clients the maximum achievable level of security in handling their said information. All information held by the Company is protected under the Data Protection Act 1998.

15.3 Use of Clients Personal Information

- The information received from Clients is used by the company in order to confirm the Clients identity at any given time. This is done in order to minimize the risk of any sort unauthorized and unprecedented access to the Clients account within the System of the Company.

15.4 Other uses of the Clients information include:

- i) the processing of any trading and/or non-trading operations;
- ii) to be able to maintain a constant and correct database of Client accounts;
- iii) The provision any kind of services that are relevant to the Clients Business relationship with the Company;
- iv) carrying out the company's anti-money laundering policy

Client information is also collected for the purpose of carrying out the Test of Appropriateness; this is done in order to ensure the Companies Clients are appropriate to undertake the investment services provided by the Company.

15.5 The personal information required includes but is not necessarily limited to the following:

- i) Name
- ii) Date of Birth
- iii) E-mail
- iv) Address
- v) Funding Details
- vi) Financial Situation
- vii) Trading Activity

The latter information is required due to the nature of activates and services provided by the Company.

Third Parties

The Clients personal information may be, in limited amounts, distributed and further used by trusted third parties, in particular, banks, through which trading operations and the related transactions will take place.

16. Risk Disclaimer:

Trading in Forex/ CFD's involves significant risk and may not be suitable for all investors. Trading in the financial markets may lead to a loss of some or all of your original investment and as such you should not invest money that you cannot afford to lose. Trading on Margin/ Leverage can work against you as well as for you. You should be fully aware of all risks involved in trading and should seek professional advice from an independent financial advisor if you have any doubts.

FxNet Ltd will take all measures possible to ensure that the information contained within this site is as accurate as possible, however, FxNet Ltd (the "Company") does not guarantee that the information contained on this website is free of errors and as such all material contained on the Company website is provided for informational purposes only and not as an investment objective/ advice. FxNet Ltd advises that you seek independent advice, before acting on any of the information contained within this site.

FxNet Ltd will not responsible for any loss arising from any investment that may have been based on any recommendation, forecast, or other information contained within this site. FxNet Ltd shall not bear liability to any subscriber, client, partner, supplier, counterparty or third party for the information supplied through this site, nor for any discontinuance of the service. FxNet Ltd does not bear responsibility for the content of any website, be it linked to this website or not, nor for any consequences incurred by acting on information of such said website (s). Consulting this website does not make you a client of FxNet Ltd and no entity of FxNet Ltd or person related to FxNet Ltd shall have any duty or incur any liability or responsibility towards you as a result of you consulting such website.

17. Money Laundering Prevention Policy

The Prevention of money laundering is a major responsibility and aim FXNET LIMITED. At FXNET LIMITED we are fully committed to preventing any money laundering activities through our services and as such, in our efforts to combat money laundering, we fully comply with regulatory requirements enforced upon us by our regulatory authorities and ensure that we:

- Get to know our clients through request of legal documentation
- Identify and report any suspicious transactions through the appropriate channels
- On-going monitoring of any reported suspicious activities
- Maintain any and all transaction records of our clients for a minimum of 5 years, following termination of the Agreement with our clients
- Ensure that all of our staff are appropriately trained in the appropriate KYC and AML procedures as well as training in what constitutes suspicious activity and to report such activities to the appropriate personnel
- Use all resources available, within our and other countries to ensure that all suspicious activities have been investigated

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FXNET LIMITED reserves the right to collect and validate proof of identification from clients prior to account opening and any payments of proceeds.

FXNET LIMITED reserves the right to request for further documentation prior to approval of any account, as may be deemed appropriate. All information provided to FXNET LIMITED is available to regulatory authorities in both the country of origin of the funds, and the destination country of the funds.

FXNET LIMITED reserves the right to refuse to process a transfer at any stage if it believes/suspects it to be connected in any way to criminal activity or money laundering.

FXNET LIMITED is obliged to report all suspicious transactions and is prohibited from informing the client that they have been reported for suspicious account activity. Account misuse may result in criminal prosecution.

FXNET LIMITED is strongly opposed on providing business to clients whose funds are sourced from criminal activity

18. CORPORATE ACTIONS

- 18.1 If a corporate action materializes, the Client accepts that FXNET reserves the right to make appropriate adjustments to the value and/or size of a transaction and/or number of any related transactions; any such adjustment aims in preserving the economic equivalent of the rights and obligations of both the Client and the Firm immediately prior to a corporate action. It should be noted that these adjustments are conclusive and binding upon the Client; the Client will be informed accordingly by the Firm as soon as reasonably practicable.
- 18.2 The Client accepts that if he/she has any open positions that are affected by the corporate action, on the ex-dividend day FXNET reserves the right to close such positions at the last price of the previous trading day and open the equivalent position at the first available price on the ex-dividend day; under the above mentioned circumstances, the Firm shall inform the Client accordingly, through the internal e-mailing system, no later than the closing of the trading session prior to the ex-dividend day.
- 18.3 FXNET bears no responsibility for notifying the Client regarding announcement of corporate actions.

19. “Know Your Customer - KYC”

International and local laws oblige the Company as an international financial company carrying on relevant business activities, to establish and maintain appropriate “know your customer” procedures, which includes an understanding of your clients business, source of funds, as well as ensuring that the Company understands the investment objectives of its customers and is aware of their relevant investment experience. However, it is important that the Company’s customers conform to the Company’s principles and standards. Prior to establishing a business relationship with a new customer, among other things, the following principles are considered as a part of the “know your customer” process:

- The Company will not accept as clients persons engaged in unethical behavior or in illegal activities;
- The Company will not accept as customers parties that cannot make a well informed and reasonable judgment as to the activities in which they are engaged;
- The Company will not accept as customers persons unwilling to provide sufficient documents/data and information as provided in the Customers’ acceptance policy maintained by the Company. The Company will accept only those new customers who complete appropriate account opening documentation with the Company.

The Company will initiate a relationship with a prospective or potential client only when it becomes fully satisfied that the client complies with “know your customer” and due diligence procedures which includes:

- Verification of the customer’s identity on the basis of the documents provided by the customer as per the customer’s acceptance policy named as “Specific Customer Due Diligence and Identification Procedures”, (attached). Before conducting a business relationship with a new customer, his/her identity must be verified to ensure that a new relationship with the potential customer does not negatively affect the reputation of the Company.

Any transaction without prior establishment of the customer’s identity is prohibited according to the Company’s policies and procedures.

19.1 **Training and awareness**

- A key component in managing the money laundering risk is to ensure that all employees, including senior management, fully understand the money laundering risks and their legal obligations and responsibilities. This is achieved through regular and focused training and awareness sessions. Training and awareness sessions are provided to all employees frequently and this includes all relevant employees including senior management.
- Training is relevant to the anti-money laundering rules and policies and the content is adapted for various sectors of employees. It is also important to mention that the Company keeps records of all training delivered and maintains a register of employee attendance.
- New employees arrived in the Company receive AML training before undertaking their duties. Furthermore employees keep notes from the seminars/courses and certificates of attendance.

- Training can be delivered using a variety of different approaches. The company may offer private training to the employees or internal training conducted by the AMLO of the Company, or through seminars and courses designed by CySEC or other institutions. The Company ensures that the training is relevant, up to date and tailored to an individual's needs. Effective and meaningful employee training is fundamental in managing the money laundering risk within the Company and it is essential that it is delivered in a manner that employees will find interesting and informative and also that it is conducted by persons who have the necessary expertise, knowledge and experience.

Training includes the following:

- How to recognize and handle transactions suspected to be associated with money laundering.
- Awareness of office policies and procedures which are in place to prevent money laundering (e.g. client identification, internal reporting and record keeping).
- Updates as well as training on the relevant legislation relating to money laundering, and any new laws, regulations and directives published by the European Commission.

19.2 Monitoring

- The electronic monitoring of transactions is an issue that is receiving a great deal of attention by the financial services industry. More and more transactions are being undertaken electronically, without any human intervention, providing those involved in money laundering with greater opportunities to launder money and to remain undetected.
- There is recognition by the industry and regulators that the electronic monitoring of transactions can provide some protection in dealing with this risk. A monitoring system can provide an effective way of identifying potential money laundering transactions.
- Transactions executed for the client are compared and evaluated against the anticipated movement of the account, the standard turnover, business and customer data/information held and according to the economic profile of the customer. Significant deviations are investigated and the findings recorded in the file of the client.

20. CONFLICTS OF INTEREST POLICY

20.1 Introduction

- FXNET Ltd (hereinafter called the "Company") is a Cyprus Investment Firm (CIF) regulated by the Cyprus Securities and Exchange Commission (with CIF license number 182/12). 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) in Cyprus as amended from time to time, the Company is required to take all reasonable steps to detect and avoid conflicts of interest.

- The Company provides herein a summary of the policy we maintain in order to manage conflicts of interest in Respect of the duties we owe to our Clients. This Policy forms part of our agreement. Therefore, by entering into a separate agreement with the Company, you are also agreeing to the terms of our order execution policy, as set out in this document.
- The Policy applies to all its directors, employees, any persons directly or indirectly linked to the Company (hereinafter called “related persons”) and refers to all interactions with all Clients.

20.2 Identification of Conflicts of Interest

- For the purposes of identifying the types of conflict of interest that arise in the course of providing investment and ancillary services or a combination thereof and whose existence may damage the interests of a Client, the Company takes into account, whether the Company or an associate or some other person connected with the Company, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:
 - a) The Company or an associate or some other person connected with the Company is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
 - b) The Company or an associate or some other person connected with the Company has 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;
 - c) The Company or an associate or some other person connected with the Company has a financial or other incentive to favor the interest of another Client or group of Clients over the interests of the Client;
 - d) The Company or an associate or some other person connected with the Company carries on the same business as the Client;
 - e) The Company or an associate or some other person connected with the Company receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

20.3 Procedures and Controls to Managing Conflicts of Interests

- In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures:
 - a) Effective procedures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more Clients.
 - b) The separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company.
 - c) The removal of any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant

persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities.

- d) Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities.
- e) A 'need to know' policy governing the dissemination of confidential or inside information within the Company.
- f) Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments.
- g) Procedures governing access to electronic data.
- h) Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- i) Personal account dealing requirements applicable to relevant persons in relation to their own investments.
- j) A gifts and inducements log registering the solicitation, offer or receipt of certain benefits.
- k) Prohibition of external business interests conflicting with our interests as far as the Company's officers and employees are concerned, unless Board of Directors approval is provided.
- l) A policy designed to limit the conflict of interest arising from the giving and receiving of inducements.
- m) Establishment of in-house Compliance Department to monitor and report on the above to the Company's Board of Directors.
- n) Appointment of Internal auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors.
- o) Establishment of the four-eyes principle in supervising the Company's activities.
- p) The Company also undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate.

21. COMPLAINTS HANDLING PROCEDURE

21.1 Complaints shall be addressed, in the first instance, to the Customer Support Department. If the Client receives a response from the Customer Service Department but deems that the complaint needs to be raised further the Client may contact the Compliance Department that is an independent department within FXNET. Both the Customer Support Department and the Compliance Department shall thoroughly examine any complaints as required, taking into account any information contained within the books and records of the Firm, including but not limited to the Client's trading account journal.

21.2 A complaint shall include:

- the Client's name and surname;
- the Client's trading account login/ username;
- the affected transaction numbers, if applicable;
- the date and time that the issue arose; and
- a description of the issue.

- 21.3 A complaint must not include:
- Offensive language directed either to FXNET or an FXNET employee.
- 21.4 FXNET may, at its discretion, refuse a complaint if paragraphs 13.5 of the Client Agreement come into force.

22. DISPUTE RESOLUTION

- 22.1 In the event of any dispute arising out of or in relation to this Agreement, the Parties must first use their respective best endeavors to consult and negotiate with each other, in good faith and recognizing their mutual interests, attempt to reach a just and equitable settlement of the dispute satisfactory to both Parties.
- 22.2 To such end the Parties must within seven (7) Business Days of a dispute arising convene a meeting between persons nominated by each Party (the “**Appointed Persons**”) and other relevant members of management to attempt to resolve the dispute.
- 22.3 If the Appointed Persons agree upon a resolution or disposition of the dispute, they will sign a statement setting out the terms of the resolution or disposition and the Parties will ensure that the resolution or disposition is fully and promptly carried out.
- 22.4 If the Appointed Persons do not reach such settlement within a further period of fourteen (14) Business Days (the “**Final Negotiation Date**”), the dispute will be managed in accordance with provisions set forth hereinafter.
- In the event of any dispute arising out of or in relation to this Agreement, if the dispute is not resolved and/or settled prior to the Final Negotiation Date, it shall upon the initiation of either Party be referred to binding arbitration to be conducted in accordance with Arbitration Rules of the International Chamber of Commerce (“**Arbitration Rules**”)
- 22.5 Each Party will have the right to appoint an arbitrator and the two arbitrators appointed by the Parties will appoint a third Arbitrator in accordance with the Arbitration Rules; no person shall be appointed as an arbitrator hereunder unless such person is unrelated to either Party, is fluent in the English Language and has experience in ‘OTC Finance’ matters.
- 22.6 The arbitration procedures, both written and oral, will, be conducted in English with the place of arbitration being in Limassol, Cyprus.

- 22.7 The arbitral award shall be final and binding upon the Parties to this Agreement and the Parties to the arbitration agree to carry out such award without delay; any arbitral award made hereunder may be entered into a court of competent jurisdiction for execution thereof; the cost, fees and expenses of counsel to each Party, shall be subject to equitable allocation by the arbitrators.
- 22.8 If there is a conflict between the Arbitration Rules and the provisions of this Agreement, the provisions of this Agreement shall prevail.

23. TERMINATION AND DEFAULT

- 23.1 The Client reserves the right to terminate the Agreement within 15 (fifteen) business days from the announcement of an amendment under Paragraph 3.3 of this Agreement above, by sending a notification through registered post to the Firm's Head Office, given that there are no open positions traded through the relevant trading account and the Client has no outstanding obligations to FXNET.
- 23.2 The Client reserves the right to terminate the Agreement, for any reason, having provided a 7 (seven) business days written notice by sending a notification through registered post to the Firm's Head Office, given that there are no open positions traded through the relevant trading account and the client has no amounts due for payment to FXNET.
- 23.3 FXNET may terminate the Agreement by giving the Client at least 7 (seven) business days written notice, specifying the termination date.
- 23.4 The Client accepts that FXNET reserves the right to terminate the Agreement immediately by providing the former with a written notice, if paragraph 23.5 below, becomes effective.
- 23.5 FXNET shall immediately terminate the Agreement, in the event of:
- 0) a violation of any part of the Agreement on behalf of the Client;
 - 1) an issuance of an application, order, resolution or other announcement in relation to bankruptcy or winding-up proceedings that involve the Client;
 - 2) a Client involving the Firm in any type of fraud.
 - 3) The Client being deemed to be creating and/or trying to create an arbitrage scenario.
 - 4) The Client trading in such a way that may harm the Firm's ability to have and/or to provide an effective service.

- 23.6 A termination of the Agreement shall not imply that any of the Client's responsibilities cease to exist; the latter shall still be liable to pay to the Firm.
- 0) Any amount that is due to FXNET
 - 1) Any expenses that are incurred by FXNET, as a result of the termination of the Agreement; and
 - 2) Any damage that has arisen because of an arrangement settlement.
- 23.7 Upon termination of the Agreement under paragraph 16.1, above, FXNET shall immediately transfer to the Client any amount available in the relevant trading account minus any outstanding amount that is due to the firm by the Client.
- 23.8 If paragraph 16.5, above, becomes effective FXNET reserves the right to reverse any transactions that are deemed to be contrary to the Firm's or the Client's interests.

24. FORCE MAJEURE

- 24.1 The Firm shall not be in breach of this Agreement and shall not be liable or have responsibility of any kind for any loss or damage incurred by you as a result of any total or partial failure, interruption or delay in the performance of this Agreement occasioned by any act of God, fire, war, civil, commotion, labour dispute, act of government, state, governmental or supranational body or authority, or any investment exchange and/or clearing house, inability to communicate with market makers for whatever reason, failure of any computer dealing system, any other breakdown or failure of transmission in communication facilities of whatever nature, between the Firm and the Client or any third-party whatsoever, or any other reason (whether or not similar in kind to any of the above) beyond our reasonable control (a "**Force Majeure Event**").
- 24.2 The Client acknowledges and agree that FXNET may in its reasonable opinion, determine that a Force Majeure Event exists or is about to occur; as the case may be, we will inform you as reasonable practicable if it so determines.
- 24.3 If FXNET determines that a Force Majeure Event exists or is about to occur then it may (without prejudice to any other rights under this Agreement and at its sole discretion) take such action as it deems necessary or appropriate in the circumstances and neither FXNET, nor any of its directors, officers, employees, agents or advisers will be liable for any failure, hindrance or delay in performing its obligations under this Agreement or for taking or omitting to take any action pursuant to this subparagraph.

25. GOVERNING LAW AND JURISDICTION

- 25.1 The Client accepts that the Agreement and any investment and/or ancillary services provided under it by the Firm shall be governed by the law of the Republic of Cyprus.
- 25.2 Any proceedings and their settlement that may involve FXNET shall take place in the competent courts of the Republic of Cyprus.

26. INTERIM RELIEF – INJUNCTIVE RELIEF

- 26.1 Nothing in this Section shall prevent either Party from applying to court for interim or injunctive relief.
- 26.2 Each Party acknowledges that a breach of the provisions of this Agreement may cause the other Party irreparable injury and damage and, therefore any such breach may be enjoined through injunctive proceedings, in addition to any other rights and remedies that may be available to either Party as per applicable law or in equity.

27. EXPERIENCE AND KNOWLEDGE IN FINANCIAL MATTER

- 27.1 FXNET's Online Trading Facility is available only to, and may only be used by Persons who have sufficient experience and knowledge in financial matters to be capable of evaluating the merits and risks of accessing and/or using our Online Trading Facility and entering into Transactions and Contracts via our Online Trading Facility and who have done so without relying on any information contained on, or in our Online Trading Facility and/or otherwise provided by us in relation thereto.
- 27.2 In accordance with the foregoing the Client hereby represents, warrants and covenants without prejudice to any other representations, warranties and/or covenants made under this Agreement:
- 0) that the Client has sufficient experience and knowledge in financial matters to be capable of evaluating the merits and risks of entering into Transactions and or/ Contracts via FXNET's Online Trading Facility;
 - 1) that the Client has done so without relying on any information contained on or in FXNET's Online Trading Facility and/or provided by FXNET in relation thereto;

- 2) that the Client acts as Principal and sole beneficial owner (but NOT as trustee) in entering into this Agreement and/or any Transactions and/or Contracts via FXNET's Online Trading Facility;
- 3) that, regardless of any subsequent determination of the contrary trading in financial contracts, Transactions and/or Contracts via FXNET's Online Trading Facility (and in such other investments as we may from time to time agree) is suitable for the Client and the Client is aware of all risks involved in such Transactions and/or Contracts; (e) that the Client is willing and financially able to sustain a total loss of funds resulting from any Transactions and/or Contracts entered into FXNET's Online Trading Facility.

27.3 Without prejudice to any of the foregoing, FXNET shall not be responsible for verifying and/or checking whether the Client has sufficient knowledge and/or experience for accessing and/or using FXNET's Online Trading Facility and/ or entering into financial contracts via FXNET's Online Trading Facility, nor shall FXNET shall not be responsible for any damages and/or losses incurred by you as a result of insufficient knowledge and/or experience. IF YOU DO NOT QUALIFY, PLEASE DO NOT ACCESS AND/OR USE FXNET'S ONLINE TRADING FACILITY AND INFORM US IN WRITING IMMEDIATELY.

28. MISCELLANEOUS

- 28.1 The Client accepts that all orders executed by the Firm shall be conclusive and binding. The Client has 2 (two) business days, from the execution of an order, to dispute the execution (i) price, (ii) cost, (iii) speed, and (iv) method such dispute needs to be communicated to the Firm in writing.
- 28.2 Unless specifically agreed otherwise, the Client accepts that the Firm is under no obligation to provide electronic, or other, confirmation in relation to financial instruments traded through the Client's trading account.
- 28.3 Unless specifically agreed otherwise, the Client accepts that FXNET shall provide no statements of accounts in relation to financial instruments traded through the Client's trading account. the Client may, at any time, review the current and historic state of his/her trading account through the trading platform(s).
- 28.4 The Client shall regularly consult the 'Help' menus, User Guides or any other manuals of the trading platform(s); if a conflict arises the Agreement shall prevail unless FXNET determines, in its sole discretion, otherwise.

29. IMPORTANT INFORMATION

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- 29.1 CFDs and other financial instruments mentioned in this agreement are not eligible for sale in certain jurisdictions or countries. The Notice is not directed to any jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations, including the United States of America and Canada. The Notice does not constitute an offer, invitation or solicitation to buy or sell CFDs. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. The Notice is not intended to constitute the sole basis for the evaluation of the Client's decision to trade in CFDs.
- 29.2 Questions regarding the Terms and Conditions should be addressed, in the first instance, to FXNET's Customer Support Department.