



Pearl
Capital Markets



Joint Account Application Form

Pearl Capital Markets Limited
Room 4, C2, Orion Mall
Palm Street, Victoria
Mahe, Seychelles

www.fxpearl.com

Please, fill out a form and send it to joint@fxpearl.com



FOR OFFICE USE ONLY :

Client Name
Account No.
A/c Activation Date
Date of Receipt at H.O.
IB Name & Code No.

A FFI PHOTO

ELECTRONIC TRADING DISCLOSURE :

TRADING FOREIGN EXCHANGE ON AN ELECTRONIC TRADING SYSTEM MAY VARY WIDELY AMONG DIFFERENT ELECTRONIC SYSTEMS. EACH SYSTEM MAY PRESENT RISKS RELATED TO SYSTEM ACCESS, INCLUDING FAILURE OF HARDWARE AND SOFTWARE. IN THE CASE OF INTERNET-BASED SYSTEMS, THERE MAY BE ADDITIONAL TYPES OF RISKS RELATED TO SYSTEM ACCESS, VARYING RESPONSE TIMES AND SECURITY AS WELL AS RISKS RELATED TO SERVICE PROVIDERS AND THE RECEIPT AND MONITORING OF ELECTRONIC MAIL. THE RESULT OF ANY SYSTEM FAILURE MAY BE THAT YOUR ORDER IS EITHER NOT EXECUTED ACCORDING TO YOUR INSTRUCTIONS OR NOT EXECUTED AT ALL.

SINCE PEARL CAPITAL MARKETS LTD. (hereinafter called "PCML") DOES NOT CONTROL SIGNAL POWER, ITS RECEPTION OR ROUTING VIA INTERNET, CONFIGURATION OF YOUR EQUIPMENT OR RELIABILITY OF ITS CONNECTION, WE CANNOT BE RESPONSIBLE FOR COMMUNICATION FAILURES, DISTORTIONS OR DELAYS WHEN YOU TRADE ONLINE OVER THE INTERNET.

PEARL CAPITAL MARKETS LTD. SHALL NOT BE LIABLE FOR ANY LOSSES, COSTS OR DAMAGES INCURRED BY CUSTOMER ARISING OUT OF ANY ACCESS BY CUSTOMER TO PEARL CAPITAL MARKETS LTD. ELECTRONIC TRADING SYSTEM OR FROM ANY FAILURE OF THE SYSTEM, INTERNET ACCESS, COMMUNICATIONS LINES OR OTHER CAUSE BEYOND ITS CONTROL, OR FROM ANY RESULTANT FAILURE TO EXECUTE, PROCESS OR REPORT TRADES. CUSTOMER IS ALSO RESPONSIBLE FOR SAFEGUARDING PASSWORDS AND UNDERSTANDS THE RISKS ASSOCIATED WITH THE TRANSMISSION OF INFORMATION BY USE OF THE INTERNET AND HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS PEARL CAPITAL MARKETS LTD. FROM AND AGAINST ALL LOSSES, CLAIMS EXPENSES, COSTS, DAMAGES, FINES OR LIABILITIES WHATSOEVER SUFFERED BY PEARL CAPITAL MARKETS LTD. (INCLUDING, WITHOUT LIMITATION, LEGAL COSTS AND EXPENSES) ARISING OUT OF THE USE OF THE ONLINE TRADING SYSTEM BY CUSTOMER, ITS EMPLOYEES, AGENTS OR CONTRACTORS.

CLIENT HEREBY CONFIRMS THAT ALL TRANSACTIONS ARE PERMITTED UNDER THE LOCAL LAWS. CLIENT AGREES TO INDEMNIFY AND HOLD PEARL CAPITAL MARKETS LTD., ITS AFFILIATES, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS HARMLESS FROM AND AGAINST ANY AND ALL LIABILITIES, LOSSES, DAMAGES, COSTS AND EXPENSES, INCLUDING ATTORNEY'S FEES, INCURRED BY PEARL CAPITAL MARKETS LTD. ARISING OUT OF CLIENT'S FAILURE TO FULLY AND TIMELY PERFORM CLIENT'S AGREEMENTS HEREIN OR SHOULD ANY OF THE REPRESENTATIONS AND WARRANTIES FAIL TO BE TRUE AND CORRECT. CLIENT ALSO AGREES TO PAY PROMPTLY TO PEARL CAPITAL MARKETS LTD. ALL DAMAGES, COSTS AND EXPENSES, INCLUDING ATTORNEY'S FEES, INCURRED BY PEARL CAPITAL MARKETS LTD. IN THE ENFORCEMENT OF ANY OF THE PROVISIONS OF THIS AGREEMENT AND ANY OTHER AGREEMENTS BETWEEN PEARL CAPITAL MARKETS LTD. AND CLIENT AND FURTHER THAT THE CLIENT ACCOUNT LETTER AND THE CLIENT AGREEMENT IS VALID AND BINDING ON THE CLIENT.

Client signature:.....

Date:.....

Clients signature: 1)..... 2)..... 3)..... Date:.....

CLIENT ACKNOWLEDGEMENT :

Client's One:..... [the Client]

Address:.....

Client's Two:..... [the Client]

Address:.....

1. The Client has appointed the Company as the Client's agent for the purpose of dealing in Foreign Exchange and Futures Contracts in accordance with the terms of this Client Acknowledgement, Disclosure Statement and the terms of the Client Agreement.
2. The Client agrees that the Client Agreement, Disclosure Statement, Contract Information Guide and Client Acknowledgement are the one agreement for the purposes of this agreement.
3. The Client acknowledges that they are the beneficial owner of all monies lodged with the Company and should funds be lodged for the benefit of the Client's account that are not wholly owned by the Client, the Client will request approval from the Company in writing prior to lodging such monies.
4. The Client confirms that it does not have any pending litigation, disputed accounts or other unresolved matters whatsoever. If the Client does have any pending litigation, disputed accounts or other unresolved matters whatsoever then the Client must advise the Company in writing of such matters and the Company must consider such matters prior to approving the opening of the account.
5. The Client acknowledges that all information provided in this agreement including all information pertaining to the Client in the Client Information section of this agreement is true and accurate. Further, the Client will immediately notify the Company in writing if any representations materially change or cease to be true and accurate.

*I/*We confirm that *I/*we have heard/read and understand this Client Agreement, Disclosure Statement, Contract Information Guide and Client Acknowledgement and have had an opportunity to consider its terms and conditions. By signing this agreement the Client agrees to be legally bound by such terms and conditions.

(Client -1, Signature)	(Client -2, Signature)	(Witnesses Signature)
(Print Name)	(Print Name)	(Designation/Job Title
(Dated)	(Dated)	(Print Name)
		(Dated)

ACCEPTED BY PEARL CAPITAL MARKETS LTD.

Name :

.....

Authorised Signatory for PEARL CAPITAL MARKETS LTD.	Dated
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Clients signature: 1)..... 2)..... 3)..... Date:.....

CLIENT INFORMATION – JOINT:

Entity Name:.....

Surname/Family Name:.....

Date of Birth:.....

Gender: Male Female

Marital Status:.....

Nationality:.....

Residential Address:.....

Mailing Address (if different):.....

Telephone & Fax: Daytime:..... Evening:.....

Mobile:..... Fax:.....

Email Address:.....

Occupation:.....

Employer (if self-employed state Name of Company):.....

Employer/Company Address:.....

.....

Tax Status: Resident Non Resident

IRD Number:.....

Withholding Tax Rate: 19.5% 33% 39%

Do you have an Exemption Certificate: Yes No

Country Residency:.....

Are you over 18 years of age? Yes No

Approximate Net Worth: 25,000 to 50,000 50,001 to 100,000 Greater than 100,001

Investment Objective: Speculative Hedging

Trading Experience: 1-3 Years 3-5 Years Over 5 Years

Annual Income:.....

Bank Account Details:.....

.....

Clients signature: 1)..... 2)..... 3)..... Date:.....

AUTHORISED SIGNATORIES :

The following persons have been authorized to transact on this account. Please cross out any blank sections.

AUTHORISED PERSON [1]

Entity Name:.....
 Surname:.....
 Relationship to Applicant:.....
 Date of Birth:.....
 Residential Address:.....
 Contact Telephone Numbers:.....
 Identification Type & Number:.....
 Signature:.....

AUTHORISED PERSON [2]

Entity Name:.....
 Surname:.....
 Relationship to Applicant:.....
 Date of Birth:.....
 Residential Address:.....
 Contact Telephone Numbers:.....
 Identification Type & Number:.....
 Signature:.....

AUTHORISED PERSON [3]

Entity Name:.....
 Surname:.....
 Relationship to Applicant:.....
 Date of Birth:.....
 Residential Address:.....
 Contact Telephone Numbers:.....
 Identification Type & Number:.....
 Signature:.....

Clients signature: 1)..... 2)..... 3)..... Date:.....

TERMS AND CONDITIONS :

Commissions as agreed and acknowledged by the client are as follows:

(A) FUTURES

(Inclusive of Options)

(B) SECURITIES/EQUITIES

(Inclusive of Options)

(C) SPOT FOREIGN EXCHANGE

(Inclusive of Options)

(D) SPOT COMMODITIES

(Inclusive of Options)

Client signature:.....

Date:.....

Clients signature: 1)..... 2)..... 3)..... Date:.....

CHECK SHEET :

We request that you take time to complete this check sheet to ensure that the account opening forms have been completed correctly and that all the necessary documentation is attached before submitting.

FORMS

Have You	Client To Complete	Office Use Only	
Signed the Client Acknowledgment form?		Yes	No
Has your signature been witnessed?		Yes	No
Completed the Client Information form?		Yes	No
Completed the Authorised Signatories form?		Yes	No

DOCUMENTS REQUIRED

Have You Included	Client To Complete	Office Use Only	
Certified copy of a Government issued photo ID i.e. passport ?		Yes	No
Copy of a Bank Deposit Slip or Statement that records your name, account number and address ?		Yes	No
Copy of Birth Certificate if under 18 years of age ?		Yes	No
Resident withholding tax exemption certificate or declaration confirming Non-Resident status ?		Yes	No
Photo ID & Bank Deposit Slip for each Authorised Signatory?		Yes	No

Clients signature: 1)..... 2)..... 3)..... Date:.....

CLIENT SERVICE AGREEMENT

In this Client Service Agreement "PCML" represents Pearl Capital Markets Limited.

1. DEFINITIONS – INTERPRETATION OF TERMS

- 1.1 In this Agreement the following terms shall, unless the context otherwise pledges, have the following meanings and may be used in the singular or plural as appropriate:
- a) **"Account"** shall mean a transaction account of the Client at PCML
 - b) **"Account Statement"** shall mean a periodic statement of the transactions credited or debited to an account
 - c) **"Account Summary"** shall mean a statement of the Clients securities portfolio, open positions, margin requirements, cash deposit etc. at a specific point in time
 - d) **"Agent"** shall mean an individual person or legal entity undertaking a transaction on behalf of another individual person or legal entity but in his/its own name
 - e) **"Authorized Person"** shall mean a person authorized by the Client to give instructions to PCML
 - f) **"Best Execution Policy"** shall mean that the prevailing policy of PCML is available at the website of the broker and the trading platform regarding best execution when executing client orders
 - g) **"Business Day"** shall mean any day on which we are open for business
 - h) **"CFD Contract"** or **"CFD"** shall mean a contract which is a contract for difference by reference to fluctuations in the price of the relevant security or index
 - i) **"Client"** shall mean the individual person, legal entity or firm being a customer of PCML
 - j) **"Client Classification"** shall mean PCML's overall, product, or transaction specific classification of Clients
 - k) **"Commercial use"** shall mean any use of the Trading Platform by Clients which are legal entities or firms
 - l) **"Commissions, Charges & Margin Schedule"** shall mean the schedule of commissions, charges, margin, interest and other rates which at any time may be applicable to the services as determined by PCML on a current basis. The Commissions, Charges & Margin Schedule is available on PCML's website and may be supplied to the Client on demand
 - m) **"Conflict of Interest Policy"** shall mean PCML's prevailing policy regarding conflicts of interest which is available at the website
 - n) **"Contract"** shall mean any contract, whether oral or written, for the purchase or sale of any commodity, security, currency or other financial instrument or property, including any derivatives such as an option, a future, a CFD or other transaction relating thereto, entered into by PCML with the Client

Clients signature: 1)..... 2)..... 3)..... Date:.....

- o) **“Contract Option”** shall mean a contract between PCML and a Client the terms of which correspond in all respects to the terms of an option, which is quoted, listed or ordinarily purchased or sold on and cleared through a regulated marketplace or another market
- p) **“Counterparties”** shall mean banks and/or brokers through whom PCML may cover its Contracts with Clients or with whom PCML otherwise deals in relation to Clients’ transactions
- (q) **“Durable Medium”** means any instrument which enables the Client to store information in a way accessible for future reference for a period of time adequate to the purposes of the information and which allows the unchanged reproduction of the information stored
- (r) **“Events of Default”** shall have the meaning given to this term in Clause 20
- (s) **“FIFO”** is an abbreviation of “First in – First Out” and refers to the fact that in case one or more Contracts with the same characteristics shall be closed, PCML will as a point of departure close the older Contract first
- (t) **“Inside Information”** shall mean non-published information which is likely to have a noticeable effect on the pricing of a Contract if it was made public
- (u) **“Introducing Broker”** shall mean a financial institution or advisor which is remunerated by PCML and/or clients for referral of clients to PCML and/or for the provision of advice to such Clients and/or execution of such Clients’ transactions towards PCML
- (v) **“Margin Trade”** shall mean a Contract opened and maintained based on a margin deposit as opposed to a Contract based on a purchase price
- (w) **“Market Maker”** shall mean a professional participant in the financial markets who continuously offers purchase and sale prices for a financial instrument in order to buy and sell respectively in the event of interested Clients. Should PCML be a Market Maker it would in relation to a transaction be the Client’s immediate counterpart
- (x) **“Market Rules”** shall mean the rules, regulations, customs and practices from time to time of any exchange, clearing house or other organization or market involved in, or otherwise relevant to, the conclusion, execution, terms or settlement of a transaction or Contract and any exercise by any such exchange, clearing house or other organization or market of any power or authority conferred on it
- (y) **“Net Free Equity”** is a basis of calculation of interest which is calculated in accordance with the definition specified in PCML’s Commissions, Charges & Margin Schedule
- (z) **“OTC”** shall mean any Contract concerning a commodity, security, currency or other financial instrument or property, including any option, future, or CFD which is not traded on a regulated stock or commodity exchange but “over the counter”
- (aa) **“Private use”** shall mean any use of the Trading Platform by Clients that are physical persons
- (ab) **“Principal”** shall mean the individual person or the legal entity which is a party to a transaction

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- (ac) "PCML" shall mean M/s. PCML and with the address of Room 4, Suite C2, Orion Mall, Palm Street, Victoria, Mahe, Seychelles (248) 2507000 or any branch hereof
 - (ad) "Security" shall mean any securities or other assets deposited with PCML by the Client
 - (ae) "Services" shall mean the services to be provided by PCML subject to the Agreement
 - (af) "Settlement/Trade Confirmation" shall mean a notification from PCML to the Client confirming the Client's entry into a Contract
 - (ag) "Trading Platform" shall mean any online trading platform made available by PCML under the Agreement
- 1.2 If there is any conflict between this Agreement and relevant Market Rules, the Market Rules shall prevail.
 - 1.3 In this Agreement any reference to an individual person shall include corporate, unincorporated associations, partnerships, and individuals.
 - 1.4 Headings and notes in this Agreement for reference only and shall not affect the contents and interpretation of the Agreement.
 - 1.5 In this Agreement references to any law, statute or regulation or enactment shall include references to any statutory modification or re-enactment thereof or to any regulation or order made under such law, statute or enactment (or under such a modification or re-enactment).

2. RISK ACKNOWLEDGEMENT

- 2.1 The Client acknowledges, recognizes and understands that trading and investments in leveraged as well as non-leveraged Contracts is:
 - (a) Highly speculative
 - (b) May involve an extreme degree of risk
 - (c) Is appropriate only for persons who, if they trade on margin, can assume risk of loss in excess of their margin deposit
- 2.2 The Client acknowledges, recognizes and understands that:
 - (a) Because of the low margin normally required in Margin Trades, price changes in the underlying asset may result in significant losses, which losses may substantially exceed the Client's investment and margin deposit
 - (b) When the Client directs PCML to enter into any transaction, any profit or loss arising as a result of a fluctuation in the value of the asset or the underlying asset will be entirely for the Client's account and risk
 - (c) The Client warrants that the Client is willing and able, financially and otherwise, to assume the risk of trading in speculative investments

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- (d) The Client agrees not to hold PCML responsible for losses incurred as a consequence of PCML carrying the Client’s account and following its recommendations or suggestions or those of its employees, associates or representatives, unless PCML has exercised gross negligence in connection herewith
- (e) The Client is aware of the fact that unless it is otherwise specifically agreed, PCML shall not conduct any continuous monitoring of the transactions already entered into by the Client neither individually nor manually. Hence, PCML cannot be held responsible for the transactions developing differently from what the Client might have pre-supposed and/or to the disadvantage of the Client
- (f) The Client accepts that guarantees of profit or freedom from loss are impossible in investment trading
- (g) The Client accepts that the Client has received no such guarantees or similar representations from PCML, from an Introducing Broker, or representatives hereof or any other entity with whom the Client is conducting a PCML account

3. CLIENT CLASSIFICATION

- 3.1 PCML attaches different levels of regulatory protection to each category and hence to Clients within each category. In particular, Retail Clients are afforded the most regulatory protection; Professional Clients are considered to be more experienced, knowledgeable and sophisticated and able to assess their own risk and are thus afforded fewer regulatory protections.
- 3.2 PCML offers its Clients the possibility to request reclassification online and thus to increase or decrease the level of regulatory protections afforded. Where a Client requests a different categorization (either on an overall level or on a product level), the Client needs to meet certain specified quantitative and qualitative criteria.
- 3.3 On the basis of the Client’s request, PCML undertakes an adequate assessment of the expertise, experience, and knowledge of the Client to give reasonable assurance, in the light of the nature of transactions or services envisaged that the Client is capable of making his/her own investment decisions and understanding the risks involved. However, if the above-mentioned criteria are not met, PCML reserves the right to choose whether to provide services under the requested classification.

4. SERVICES

- 4.1 Subject to the Client fulfilling its obligations under this Agreement, PCML may enter into transactions with the Client in the following investments and instruments
 - (a) Futures, and CFDs on commodities, securities, interest rate and debt instruments, stock or other indices, currencies and base and precious metals; CFD on spot and forward bullion, currencies, and OTC derivatives
 - (b) Securities, including shares, bonds, and other debt instruments, including government and public issues
 - (c) Options and warrants to acquire or dispose of any of the instruments above, including options and Contract Options

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- (d) Managed assets whether as OTC or stock exchange traded instruments
 - (e) Such other investments as PCML may from time to time agree. The Services provided by PCML may involve: Margined transactions; or Transactions in instruments which are: traded on exchanges which are not recognized or designated investment exchanges; and/or not traded on any stock or investment exchange; and/or not immediately and readily realizable.
- 4.2 Orders may be placed as market orders to buy or sell as soon as possible at the price obtainable in the market, or on selected products as limit and stop orders to trade when the price reaches a pre-defined level. Limit orders to buy and stop orders to sell must be placed below the current market price, and limit orders to sell and stop orders to buy must be placed above the current market price. If the bid price for sell orders or ask price for buy orders is reached, the order will be filled as soon as possible at the price obtainable in the market. Limit and stop orders are executed consistent with "PCML's Best Execution Policy" and are not guaranteed executable at the specified price or amount, unless explicitly stated by PCML for the specific order.
- 4.3 In relation to any transaction or Contract, PCML will effect such transaction or Contract as Principal unless it is specifically agreed that PCML shall act as Agent for the Client.
- 4.4 The Client shall, unless otherwise agreed in writing, relative to PCML enter into Contracts as Principal.
- 4.5 If the Client acts as Agent, regardless of whether the Client identifies the Principal to PCML, PCML shall not be obliged to accept the said Principal as a client, and consequently, PCML shall be entitled to consider the Client as Principal in relation to the Contract.
- 4.6 When the Client enters into a Contract Option with PCML, it will act as counterparty to the Client. PCML will enter into a contract with a Counterparty which is identical in all respects to the contract between PCML and the Client. The Counterparty, will in turn enter into a contract on the relevant exchange (unless Market Rules requires the Counterparty to act as PCML's agent in which case PCML will enter into a contract on the exchange). The Client is contracting with PCML and has no right of recourse against PCML's Counterparties or any right over contracts between PCML and its Counterparties.
- 4.7 In the event PCML provides advice, information or recommendations to the Client PCML shall not be responsible for the profitability of such advice, information or recommendation as further stipulated in Clause 21, and the Client acknowledges, recognizes and understands that
- (a) All transactions in exchange-traded investments and many Contracts will be effected subject to, and in accordance with, Market Rules
 - (b) Market Rules usually contain far-reaching powers in an emergency or otherwise undesirable situation

Clients signature: 1)..... 2)..... 3)..... Date:.....

- (c) If any exchange or clearing house takes any action which affects a transaction or Contract, directly or indirectly, including any Contract Option, then PCML is entitled to take any action relevant to the situation and reasonable to the parties in the interests of the Client and/or PCML
 - (d) PCML shall not be liable for any loss as further stipulated in Clause 22.3 and suffered by the Client as a result of the acts or omissions of any exchange or clearing house or any action reasonably taken by PCML as a result of such acts or omissions unless PCML has exercised gross negligence in connection hereby
 - (e) Where any transaction is effected by PCML as Agent for the Client, delivery or payment (as appropriate) by the other party to the transaction shall be at the Client's entire risk
 - (f) PCML's obligation to deliver investments to the Client or to account to the Client or any other person on the Client's behalf for the proceeds of sale of investments shall be conditional upon receipt by PCML of deliverable documents or sale proceeds (as appropriate) from the other party or parties to the transaction
 - (g) PCML may in whole or in part, on a permanent or temporary basis withdraw any account facility provided by PCML to the Client. Situations where PCML may take such action include situations where:
 - (i) PCML considers that the Client may be in possession of Inside Information
 - (ii) PCML considers that there are abnormal trading conditions
 - (iii) PCML is unable to calculate prices in the relevant Contract due to the unavailability of the relevant market information
 - (h) PCML informs the Client of the withdrawal and the reasons for it, where possible, before the withdrawal and if this is not possible immediately thereafter, unless giving such information would compromise objectively justified security reasons
 - (i) PCML reserves a right to raise the commission on withdrawal up to 4.5% in case there is no sufficient trading activity between last deposit and withdrawal request.
- 4.8 Normally PCML shall not provide any advice to the Client on any tax issues related to any Services. The Client is advised to obtain individual independent counsel from their financial advisor, auditor or legal counsel with respect to tax implications of the respective Services.
- 4.9 Notwithstanding any other provision of this Agreement, in providing its Services, PCML shall be entitled to take any action considered necessary and reasonable to ensure compliance with the Market Rules and all other applicable laws and regulatory decisions.

Clients signature: 1)..... 2)..... 3)..... Date:.....

5. DEALINGS BETWEEN PCML AND THE CLIENT

- 5.1 The Client may provide PCML with oral or written instructions (which shall include instructions provided via the internet or by e-mail as described below). PCML shall acknowledge the reception of the instructions orally or in writing, as appropriate.
- 5.2 The Client shall inform PCML in writing of the persons the Client has granted a Power of Attorney to instruct PCML on behalf of the Client. For practical reasons, PCML can only undertake to register one Power of Attorney for the Client. If the Client at any time wishes to revoke such a Power of Attorney, to change the extent of the Power of Attorney, or grant Power of Attorney to a different person this shall also be informed to PCML in writing. PCML is in accordance with general rules regarding Power of Attorneys entitled to receive instructions from any person authorized by the Client as well as persons who appear authorized.
- 5.3 In addition to the terms listed on PCML's website and the terms stated in Section 6 regarding the Trading Platform, the following terms apply to Contracts executed on the internet.
- (a) PCML shall not undertake the risk towards Clients for any loss, expense, cost or liability suffered or incurred by the Client due to failure of the system, transmission failure or delays or similar technical errors unless PCML has exercised gross negligence in connection herewith, notwithstanding Clause 6.9
 - (b) PCML may offer real-time tradable prices to the Client. Due to delayed transmission between the Client and PCML the price offered by PCML may have changed before an order from the Client is received by PCML. If automatic order execution is offered to the Client, PCML shall be entitled to change the price on which the Client's order is executed to the market value at the time at which the order from the Client was received
 - (c) Prices offered by PCML regarding the sale, purchase or exercise of Contract Options reflect the price of the relevant exchange traded product. Due to delays from the Client's execution of an order or instruction regarding a Contract Option to the execution of the relevant exchange traded product on the exchange, the price as listed on the Trading Platform is subject to change, in order for the Contract Option to reflect the price of the relevant exchange traded product at the time of its execution or exercise (as applicable)
 - (d) The Trading Platform may be available in several versions, which may be differentiated in various aspects including, but not limited to the level of security applied, products and services available etc. PCML shall not be liable to the Client for any loss, expense, cost or liability suffered or incurred by the Client due to the Client using a version different from PCML's standard version with all available updates installed
 - (e) The Client shall be responsible for all orders, and for the accuracy of all information, sent via the internet using the Client's name, password or any other personal identification means implemented to identify the Client
 - (f) The Client is obliged to keep passwords secret and ensure that third parties do not obtain access to the Client's trading facilities

Clients signature: 1)..... 2)..... 3)..... Date:.....

- (g) If the Trading Platform is used for Commercial use the Client is liable to PCML for Contracts executed by use of the Client’s password even if such use might be wrongful
 - (h) Regardless of the fact that the Trading Platform might confirm that a Contract is executed immediately when the Client transmits instructions via the Trading Platform, it is the Settlement/Trade Confirmation forwarded by PCML or made available to the Client on the Trading Platform which solely constitutes PCML’s confirmation of execution
- 5.4 Any instruction sent via the Trading Platform or by e-mail by the Client shall only be deemed to have been received and shall only then constitute a valid instruction and/or binding Contract between PCML and the Client when such instruction has been recorded as executed by PCML and confirmed by PCML to the Client through the Settlement/Trade Confirmation and/or Account Statement, and the mere transmission of an instruction by the Client shall not constitute a binding Contract between PCML and the Client.
 - 5.5 The Client shall promptly give any instructions to PCML, which PCML may require. If the Client does not give such instructions promptly, PCML may, at its reasonable discretion, take such steps at the Client’s cost, as PCML considers necessary or desirable for its own protection or the protection of the Client. This provision is similarly applicable in situations when PCML is unable to obtain contact with the Client.
 - 5.6 If the Client does not provide PCML with notice of its intention to exercise an option, a Contract Option or another Contract which requires an instruction from the Client at the time stipulated by PCML, PCML may treat the option or Contract as abandoned by the Client. If the Client wishes to exercise an option, Contract Option or another Contract, the Client must provide PCML with notice thereof in reasonable time (and within applicable cut off times) for PCML to exercise the corresponding right under any contract equivalent to the Contract Option that PCML has entered into with any Counterparty. Contract Options (put and call) that close one tick or more in the money on the last trading day will automatically be exercised, regardless of whether the Client has purchased or sold the Contract Option. The Client cannot instruct PCML not to exercise Contract Options that are in the money at expiry, and cannot at any time instruct PCML to exercise Contract Options that are out of the money.
 - 5.7 PCML applies a random method of assignment among its Clients’ Contract Options when PCML is notified by its Counterparties that one or more short option positions have been assigned. PCML allocation method randomly selects short Contract Options among all PCML’s Clients’ positions, including Contract Options opened immediately prior to the assignment. All short Contract Options are liable for assignment at any time. If a short Contract Option is assigned, the Client is obliged, within the applicable time of delivery, to deliver the relevant amount of cash or assets in the case of a call Contract Option and the relevant amount of cash in the case of a put Contract Option, to effect settlement.
 - 5.8 PCML may (but shall not in any circumstances be obliged to) require confirmation in such form as PCML may reasonably request if an instruction is to close an Account or remit money due to the Client or if it appears to PCML that such confirmation is necessary or desirable.

Clients signature: 1)..... 2)..... 3)..... Date:.....

- 5.9 Pursuant to general rules regarding power of attorney the Client is accountable to PCML for losses which PCML may suffer as a result of instructions from a person who has explicitly or tacit power of attorney to give PCML instructions on behalf of the Client.
- 5.10 PCML may refuse to act upon any instruction from any person authorized by the Client if PCML can render probable that the disposal pursuant to the instruction submitted would be in violation of the legislation relevant to the area, usual market practice, including but not limited to legislation on money laundering or insider trading, or if the disposal by PCML's reasonable discretion will put the Clients and/or the bank's economic solidity at risk.
- 5.11 In general, PCML shall act according to instructions as soon as practically possible and shall, as far as trading instructions are concerned, act consistently with the broker's Best Execution Policy. However if, after instructions are received, PCML believes that it is not reasonably practicable to act upon such instructions within a reasonable time, PCML may defer acting upon those instructions until it is, in PCML's reasonable opinion, practicable to do so or as soon as possible notify the Client that PCML is refusing to act upon such instructions.
- 5.12 It is possible that errors may occur in the prices of transactions quoted by PCML. In such circumstances, without prejudice to any rights it may have, PCML shall not be bound by any Contract which purports to have been made (whether or not confirmed by PCML) at a price which:
 - (a) PCML is able to substantiate to the Client was manifestly incorrect at the time of the transaction; or
 - (b) This ought to have reasonably been known by the Client to be incorrect at the time of the transaction. In which case PCML reserves the right to either
 - (i) Cancel the trade all together or
 - (ii) Correct the erroneous price at which the trade was done to either the price at which PCML hedged the trade or alternatively to the historic correct market price.
- 5.13 Trading strategies aimed at exploiting errors in prices and/or concluding trades at off-market prices (commonly known as "sniping") are not accepted by PCML. Provided that PCML can document that there on the time of the conclusion of the trade were errors in prices, commissions, or in the Trading Platform, and provided PCML can render probable that the Client, based on its trading strategy or other provable behavior, deliberate and/or systematically has exploited or attempted to exploit such an error, PCML is entitled to take one or more of the following countermeasures:
 - (a) Adjust the price spreads available to the Client
 - (b) Restrict the Client's access to streaming, instantly tradable quotes, including providing manual quotation only
 - (c) Retrieve from the Client's account any historic trading profits that PCML can document have been gained through such abuse of liquidity at any time during the client relationship
 - (d) Terminate the client relationship immediately by giving written notice.

Clients signature: 1)..... 2)..... 3)..... Date:.....

- 5.14 If the Client is more than one person (for example, joint accountholders)
 - (a) The liabilities of each such person shall be direct, joint and several
 - (b) PCML may act upon instructions received from its authorized representative
 - (c) The rights of PCML under Clause 20 shall apply if an event described in Clause 20 shall be deemed to have occurred in respect of any one of such persons.
- 5.15 The Client agrees that PCML may record all telephone conversations, internet conversations (chat), and meetings between the Client and PCML and use such recordings, or transcripts from such recordings, as evidence towards any party (including, but not limited to, any regulatory authority and/or court of law) to whom PCML at its reasonable discretion sees it to be desirable or necessary to disclose such information in any dispute or anticipated dispute between PCML and the Client. However, technical reasons may prevent PCML from recording a conversation, and recordings or transcripts made by PCML will be destroyed in accordance with PCML's normal practice. Consequently, the Client should not rely on such recordings to be available.
- 5.16 When the Client instructs PCML to enter into a position opposite to one or more of the Client's open positions, PCML will close out the opposite position in accordance with the FIFO principles unless the position has related orders or otherwise agreed.
- 5.17 The Client acknowledges that PCML has the right to, but not the obligation to close directly opposite positions. This applies not only when the positions are held on the same account, but also when they are held on separate accounts.
- 5.18 If the Client operates several Accounts (or sub-accounts) and opposite positions are opened on different Accounts (or sub-accounts), PCML shall not close out such positions. The Client is specifically made aware that unless closed manually, all such positions may be rolled over on a continuous basis and thereby consequently all incur a cost for such roll-over.

6. SPECIAL NOTE ON THE USE OF THE TRADING PLATFORM

- 6.1 The technical requirements to which the Client's IT equipment, operating system, Internet connection etc. shall conform are described on PCML's website.
- 6.2 The Client shall enter his user ID and password when logging on to the Trading Platform. The Client should memorize the password. The Client is obligated to notify PCML without undue delay on becoming aware of unauthorized use of the Trading Platform, or if the Client suspects that the password has been misappropriated by a third party, the Client shall contact PCML immediately to block his Trading Platform. The Client can then order a new password. The Client is for a period of 18 months after notification entitled to request PCML to provide the Client with the means to prove that he made such notification.
- 6.3 The Client can block his Trading Platform at any time by contacting PCML. Blocking the Trading Platform prevents other persons from accessing it. Open orders and positions placed on the platform before the blocking will not be affected by the blocking unless the Client specifically requests so, and the Client is responsible for deciding about his positions.

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- 6.4 The right to use the Trading Platform is personal, and the Client shall not allow other persons to use his user ID and/or his password. If the Client wants to allow a third party to trade on the Client's account, the Client shall issue a separate power of attorney to the relevant third party. The power of attorney shall be written on one of PCML's power of attorney forms. The issue of the power of attorney shall be approved by PCML.
- 6.5 From the Trading Platform the Client can print reports on trading activities and his account balances.
- 6.6 Where the Client has placed an order which he subsequently regrets, the Client may request for the cancellation of the order up until the time of execution. The Client is aware that PCML is under no obligation to cancel the order. A request for cancellation or an order can be made via the Trading Platform or by calling PCML Sales Trading. Requests concerning cancellation of orders generated when the margin is exceeded can only be made to PCML Sales Trading. An order shall not be considered to be cancelled until the Client has received a written confirmation from PCML.
- 6.7 The Client shall not be liable for unlawful use of the Trading Platform occurring after the Client has informed PCML.
- 6.8 Where the Trading Platform is used for Private Use, PCML shall be liable for direct losses resulting from defectively executed orders, unless defectively executed order is due to conditions for which the Client is liable. PCML shall not be liable for any indirect losses.
- 6.9 PCML shall not be liable for losses in cases of abnormal and unforeseeable circumstances beyond the control of PCML pleading for the application of those circumstances, the consequences of which would have been unavoidable despite all efforts to the contrary.
- 6.10 If the Trading Platform is used for Commercial use PCML shall not be liable for any indirect losses and/or losses resulting from:
 - (a) Operational failures preventing the use of the Trading Platform
 - (b) Interruptions preventing the Client from accessing the Trading Platform
 - (c) Use of the Internet as a means of communication and transport
 - (d) Damage caused by matters relating to the Client's own computer systems
- 6.11 PCML shall not be responsible for losses resulting from the Client's installation and use of the computer programs used on the Trading Platform, unless such liability follows from indispensable rules of law. Where the Trading Platform is used for Commercial Use, the Client shall be responsible for ensuring that the Trading Platform is adequately insured against direct and indirect losses which may result from the installation and use of the computer programs in the Client's computer system. Furthermore, the Client shall be obliged to make backup copies of data which, should such data be lost, might result in losses for the Client.

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7. MARGINS, SECURITY, PAYMENTS AND DELIVERY

- 7.1 The Client shall pay to PCML on demand:
- (a) Such sums of money by way of deposits, or as initial or variation margin as PCML may require. In the case of a Contract effected by PCML on an exchange, such margin shall be not less than the amount or percentage stipulated by the relevant exchange plus any additional margin that PCML at its reasonable discretion may require.
 - (b) Such sums of money as may from time to time be due to PCML under a Contract and such sums as may be required in or towards clearance of any debit balance on any account
 - (c) Such sums of money as PCML may from time to time require as security for the Client's obligations to PCML
 - (d) Any amount to maintain a positive cash balance on any and all Account(s)
- 7.2 When dealing with Contract Options PCML will enter into a contract with its Counterparties which is identical in all respects to the Contract Option between PCML and the Client and PCML may under such Counterparty contract be required to deliver additional margin from time to time. PCML may without notice change the margin requirement towards the Client to reflect changes in applicable margin requirements for PCML from time to time under any Counterparty contract.
- 7.3 If the Client makes any payment which is subject to any price fluctuations, withholding or deduction, the Client shall pay to PCML such additional amount to ensure that the amount actually received by PCML will equal the full amount PCML would have received had no price fluctuations, withholding or deduction been made.
- 7.4 Payments into the Client's account are deposited by PCML on the condition of PCML receiving the amount in question. This shall apply irrespective of whether it has been explicitly stated in receipts or other notices of or requests for payment.
- 7.5 With the prior written agreement of PCML on each occasion, the Client may deposit Security with PCML or provide PCML with a guarantee or indemnity from a person and in a form acceptable to PCML instead of cash for the purpose of complying with its obligations. The Client is made specifically aware that PCML at its reasonable discretion may determine the value by which Security shall be registered and consequently contribute to PCML's demand towards the Client and PCML may continuously change such value of Security without prior notice to the Client.
- 7.6 The Client is made aware that securities held or deposited on the Client's account with PCML the Client cannot put up as collateral or guarantee for any of the Client's obligations towards a third party.
- 7.7 Any Security will be held by an intermediate broker or eligible custodian, appointed by PCML, and the intermediate broker or eligible custodian shall be responsible for claiming and receiving all interest payments, income and other rights accruing to the Client.

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- 7.8 PCML is with the Client's specific consent entitled to:
- (a) Pass on any money or Security received from the Client in order to satisfy PCML's obligations to any third party
 - (b) Charge, pledge or grant any security arrangement over Security in order to satisfy PCML's obligations to any third party in which case the Security may or may not be registered in the Client's name
 - (c) Lend Security to any third party in which case the Security may or may not be registered in the Client's name; and return to the Client other Security than the original Security.
- 7.9 PCML shall not be obliged to account to the Client for any income received by PCML as a result of carrying out any of the activities described in this Clause.
- 7.10 The Client shall be obliged to promptly deliver any money or property deliverable by it under a Contract in accordance with the terms of that Contract and with any instructions given by PCML for the purpose of enabling PCML to perform its obligations under any corresponding Contract entered into between PCML and a third party.
- 7.11 If the Client fails to provide any margin, deposit or other sum due under this Agreement in respect of any transaction PCML may close any open position without prior notice thereof to the payment of any amounts due to PCML. This is further regulated in Clause 8.2 and Clause 19.
- 7.12 If the Client fails to make any payment when it falls due, the Client shall pay interest (from the due date and until payment takes place) on the outstanding amount at the rate stated in the Commissions, Charges & Margin Schedule, cf. Clause 12.3.
- 7.13 The Client is advised that PCML shall have the right, in addition to any other rights it may have under this Agreement, to limit the size of the Client's open positions (net or gross) and to refuse orders to establish new positions. PCML will inform the Client as soon as possible regarding such refused orders and the reason for the refusals. Situations where PCML may exercise such right include, but are not limited to, where: PCML has reason to believe that the Client may be in possession of Inside Information
- (a) PCML considers that there are abnormal trading conditions
 - (b) The value of the Client's Security (as determined by PCML in accordance with Clause 7.4) falls below the minimum margin requirement as defined in PCML's Commissions, Charges & Margin Schedule
 - (c) The Client has a negative cash-balance on any account

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7.14 Settlement of Contract Options shall correspond to the settlement of the relevant exchange traded option in accordance with the market rules and terms and conditions applicable to the relevant exchange traded option. For Contract Options on cash settled options, final settlement requires payment of the cash difference between the value of the underlying option and the strike price. For Contract Options regarding physically settled options, the Contract Options will settle into the respective contract, stock or other security. Contract Options regarding options on futures will settle into a future acquired at the strike price. PCML will only allow the Client to trade Contract Options on Contracts with physical delivery if the Contract Option expires before the underlying Contract. PCML will require Clients to close any Contract with physical delivery of commodities before they can be exercised (i.e. PCML does not support physical delivery of commodities).

8. MARGIN TRADES

- 8.1 On the date of the opening of a Margin Trade between PCML and the Client, PCML may require the Client to have margin on the Account at least equivalent to PCML's initial margin requirement.
- 8.2 PCML's margin requirement shall apply throughout the term of the Margin Trade. It is the Client's responsibility continuously to ensure that sufficient margin is available on the Account at any time. If practicably possible PCML shall notify the Client if the margin requirements are not met. If at any time during the term of a Margin Trade, the margin available on the Account is not sufficient to cover PCML's margin requirement, the Client is obliged to reduce the number of open Margin Trades or transfer adequate funds to PCML. Even if the Client takes steps to reduce the size of open Margin Trades or to transfer sufficient funds to PCML, PCML may close one, several or all of the Client's Margin Trades or part of a Margin Trade and/or liquidate or sell securities or other property at the Client's account at its sole discretion without assuming any responsibility towards the Client for such action.
- 8.3 If PCML due to insufficient margin, cf. Clause 8.2, may close one, several or all of the Client's Margin Trades, the Client shall expect, unless otherwise agreed and confirmed by PCML that all of the Client's open Margin Trades will be closed.
- 8.4 If the Client has opened more than one Account, PCML is entitled to transfer money or Security from one Account to another, even if such transfer will necessitate the closing of Margin Trades or other trades on the Account from which the transfer takes place.
- 8.5 PCML's general margin requirements for different types of Margin Trades are displayed on PCML's website. However, PCML reserves the right to determine specific margin requirements for individual Margin Trades.
- 8.6 The Client is specifically made aware that the margin requirements are subject to change without notice. When a Margin Trade has been opened, PCML is not allowed to close the Margin Trade at its discretion but only at the Client's instruction or according to PCML's rights under this Agreement. However, PCML will increase the margin requirements if PCML considers that its risk on a Margin Trade has increased as compared to the risk on the date of the opening.

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9. ACCOUNTS

- 9.1 PCML will make available to the Client a Settlement/Trade Confirmation in respect of any transaction or Contract entered into by PCML with or for the Client and in respect of any open position closed by PCML for the Client. Settlement/Trade Confirmations will normally be available instantly following the execution of the transaction.
- 9.2 An Account Summary and Account Statement are available to the Client through the Trading Platform. The Account Summary will normally be updated periodically during PCML’s opening hours. The Account Statement will normally be updated every Business Day with information for the previous Business Day. By accepting this Agreement the Client agrees not to receive any Account Statements or Account Summaries in printed form from PCML other than upon specific request.
- 9.3 Any notice or other communication to be provided by PCML under the Terms, including Account Statements and Settlement/Trade Confirmations may be sent by PCML at its option to the Client in electronic form by e-mail or by display on the Client’s account summary on the Trading Platform. The Client is obliged to provide PCML with an e-mail address for this purpose. An e-mail message is considered received by the Client when sent from PCML. PCML is not responsible for any delay, alteration, re-direction or any other modification the message may undergo after transmission from PCML. A message on the Client’s account on the Trading Platform is considered received by the Client when PCML has placed the message on the Trading Platform. It is the responsibility of the Client to ensure that the Client’s software and hardware setup does not stand in the way of the Client receiving e-mails or get access to the Trading Platform from PCML.
- 9.4 The Client is obliged to verify the contents of each document, including documents sent in electronic form from PCML. Such documents shall, in the absence of manifest error, be deemed conclusive unless the Client notifies PCML in writing to the contrary immediately after having received such document. In the event that the Client believes to have entered into a transaction or Contract, which should have produced a Settlement/Trade Confirmations or otherwise a posting on the Client’s account, but the Client has not received such confirmation, the Client must inform PCML immediately when the Client ought to have received such confirmation. In the absence of such information, the transaction or Contract may at PCML’s reasonable discretion be deemed non-existent.

10. COMMISSIONS, CHARGES, AND OTHER COSTS

- 10.1 The Client shall be obliged to pay to PCML the commissions and charges set out in the Commissions, Charges & Margin Schedule.

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- 10.2 PCML may vary such commissions and charges without notice when the change is to the Client's advantage, or the grounds for changes are due to external circumstances beyond PCML's control. Such circumstances are:
 - (a) Changes in the relationship with PCML's counterparties, which affect PCML cost structures
 - (b) Changes in commissions and charges from exchanges, clearing houses, information providers or other third party providers that are passed on to the Client by PCML.
- 10.3 PCML may vary such commissions and charges, with one month's notice if:
 - (a) Market conditions, including competitive behavior, call for changes to PCML conditions
 - (b) PCML for commercial reasons wishes to change its general cost and pricing structure
 - (c) Significant particulars of the Client, based on which individual conditions were provided, have changed
- 10.4 In addition to such commissions and charges, the Client shall be obliged to pay all applicable VAT and other taxes, storage and delivery charges, exchange and clearing house fees and all other fees incurred by PCML in connection with any Contract and/or in connection with maintaining the Client relationship. Furthermore, PCML shall be entitled to demand that the following expenses are paid separately by the Client: all extraordinary disbursements resulting from the client relationship e.g. telephone, telefax, courier, and postal expenses in case the Client requests hardcopy Settlement/Trade Confirmations, Account Statements etc. which PCML could have delivered in electronic form
 - (a) Any expenses of PCML caused by non-performance by the Client, including a fee determined by PCML in relation to forwarding of reminders, legal assistance etc.
 - (b) Any expenses of PCML in connection with replies to inquiries by public authorities, including a fee determined by PCML in relation to forwarding of transcripts and enclosures and for the preparation of copies
 - (c) Administration fees in connection with security deposits, and any expenses of PCML in relation to a pledge, if provided, including any insurance premium payments
 - (d) Any expenses of PCML in connection with auditor's comments/reports if such is requested by the Client.
- 10.5 The fees will be charged either as a fixed amount corresponding to payments effected, or as a percentage or hourly rate corresponding to the service performed. The methods of calculation can be combined. PCML reserves the right to introduce new fees.
- 10.6 PCML may share commissions and charges with its associates, Introducing Brokers or other third parties or receive remuneration from them in respect of Contracts entered into by PCML. Details of any such remuneration or sharing arrangement will not be set out on the relevant Settlement/Trade Confirmations. PCML (or any associate) may benefit from commission, mark-up, mark-down or any other remuneration where it acts for the Counterparty to a Contract.

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- 10.7 PCML will upon reasonable request and to the extent possible disclose to the Client the amount of commission, mark-up, mark-down or any other remuneration paid by PCML to any Introducing Broker or other third party.
- 10.8 Unless specified otherwise in this Agreement, all amounts due to PCML (or Agents used by PCML) under this Agreement shall, at PCML's option:
 - (a) Be deducted from any funds held by PCML for the Client
 - (b) Be paid by the Client in accordance with the provisions of the relevant difference account, Settlement/Trade Confirmation or other advice
- 10.9 In respect of any transactions to be effected OTC, PCML shall be entitled to quote prices at which it is prepared to trade with the Client. Save where PCML exercises any rights it may have under this Agreement to close a Contract, it is the Client's responsibility to decide whether or not it wishes to enter into a Contract at such prices.
- 10.10 Furthermore, the Client acknowledges, recognizes and accepts that the procedures described in Clause 10 and Clause 13 may result in additional indirect costs for the Client.

11. INTEREST AND CURRENCY CONVERSIONS

- 11.1 Subject to the Clause below and save as otherwise agreed in writing, PCML shall not be liable to:
 - (a) Pay interest to the Client on any credit balance in any Account or on any other sum held by PCML
 - (b) Account to the Client for any interest received by PCML on such sums or in connection with any Contract
- 11.2 The Client is entitled to interest on the basis of the Client's positive Net Free Equity in accordance with the terms in PCML's Commissions, Charges & Margin Schedule.
- 11.3 The Client is obliged to pay interest on the basis of the Client's negative Net Free Equity in accordance with the terms in PCML's Commissions, Charges & Margin Schedule.
- 11.4 PCML may vary such interest rates and/or thresholds for interest calculation without notice when changes are to the Client's advantage, or the grounds for changes are due to external circumstances beyond PCML's control. Such circumstances are:
 - (a) Changes in the monetary or credit policies domestic or abroad that affect the general interest level in a way that is of importance to PCML
 - (b) Other changes in the general interest level, including in the money and bond markets, that is of importance to PCML
 - (c) Changes in the relationship with PCML's Counterparties, which affect PCML's cost structures

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- 11.5 PCML may vary such interest rates where the Trading Platform is used for Commercial use with one month's notice, and where the Trading Platform is used for Private use with two months' notice if:
 - (a) Market conditions, including competitive behavior, call for a change to PCML conditions
 - (b) PCML wishes to change its general commission, fee and pricing structure for commercial reasons
 - (c) Changes to significant particulars of the Client, based on which individual conditions were provided
 - (d) The Client is deemed to have accepted such changes if he does not, before the proposed date of their entry into force, notify PCML that he does not accept them
- 11.6 PCML is entitled, but shall not in any circumstances be obliged, to convert:
 - (a) Any realized gains, losses, option premiums, commissions, interest charges and brokerage fees which arise in a currency other than the Client's base currency (i.e. the currency in which the Client's Account is denominated) to the Client's base currency
 - (b) Any cash currency deposit to another cash currency deposit for the purpose of purchasing an asset denominated in a currency other than the Client's base currency; any money held by PCML for the Client into such other currency as PCML considers necessary or desirable to cover the Client's obligations and liabilities in that currency
- 11.7 Whenever PCML conducts currency conversions, PCML will do so at such reasonable rate of exchange as PCML selects. PCML shall be entitled to add a mark-up to the exchange rates. The prevailing mark-up is defined in the Commissions, Charges & Margin Schedule.

12. PLEDGE AGREEMENT

- 12.1 Any and all Security transferred to PCML by the Client or held by PCML or by PCML's Counterparties on behalf of the Client is pledged as a security for any liability that the Client may have or get towards PCML. Without limitation, such Security shall comprise the credit balances on Accounts, the securities registered as belonging to the Client on PCML's books, and the value of the Client's open positions with PCML.
- 12.2 If the Client fails to fulfil any obligation under this Agreement, PCML is entitled to sell any pledged Security immediately without any notice or court action. Such sale shall take place by the means that PCML in its reasonable discretion determines and at the price that PCML in its reasonable discretion determines to be the best obtainable.

13. NETTING AGREEMENT

- 13.1 If on any date the same amounts are payable under this Agreement by each party to the other in the same currency, then, each party's obligations to make payment of any such amount will be automatically satisfied by netting. If the amounts are not in the same currency, the amounts are converted by PCML in accordance with the principles referred to in Clause 11.

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- 13.2 If the aggregate amount that is payable by one party exceeds the aggregate amount that is payable by the other party, then the party by whom the larger aggregate amount is payable shall pay the excess to the other party and the obligations to make payment of each party will be satisfied and discharged.
- 13.3 If the Client, at any time during the Client relationship, has a negative cash-balance in any Account, PCML is entitled but not obligated to net between the Client's Accounts. The Client shall bear all the charges and any other costs associated with such netting in accordance with the Commissions, Charges & Margin Schedule.
- 13.4 If the Client relationship is terminated according to Clause 24, the claims that the parties have against each other shall be finally discharged by means of netting (closed). The value of open Contracts shall be determined according to the principles set forth below and the final amount to be paid by one of the parties shall be the difference between the payment obligations of the parties.
- 13.5 Rates based on which the Contracts shall be closed shall be market rates applicable on the day on which PCML decides to close the Contracts.
- 13.6 PCML may at its reasonable discretion determine the rates by obtaining an offer from a Market Maker in the asset in question or by applying rates from electronic financial information systems.
- 13.7 When determining the value of the Contracts to be netted, PCML shall apply its usual spreads and include all costs and other charges.
- 13.8 This netting agreement shall be binding towards the estate and creditors of the parties to the client relationship.

14. MARKET MAKING

- 14.1 When PCML executes orders as Agent for the Client on a recognized stock or futures exchange, PCML will not be a party to such a trade as such orders will be executed in the trading system of the relevant exchange at the best price and the most favorable conditions available at the time of the order or according to the Client's specific instructions, e.g. in a situation where the Client has chosen to limit the order. PCML will not include any additional spread in the price of the execution achieved for the Client but will be remunerated according to the Commissions, Charges & Margin Schedule.
- 14.2 The Client is specifically made aware that in certain markets, including the foreign exchange markets, OTC foreign exchange options and CFD Contracts, PCML may act as a Market Maker.
- 14.3 When acting as a Market Maker, PCML will under normal market circumstances quote the Client bid and ask prices.

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- 14.4 In order for PCML to quote prices with the swiftness normally associated with speculative trading, PCML may have to rely on available price or availability information that may later prove to be faulty due to specific market circumstances, for instance, but not limited to, lack of liquidity in or suspension of an asset or errors in feeds from information providers or quotes from Counterparties. If so and if PCML has acted in good faith when providing the price to the Client, PCML may cancel the trade with the Client but shall do so within reasonable time and shall provide the Client with a full explanation for the reason for such cancellation.
- 14.5 Following execution of any position with a Client, PCML may at PCML's reasonable discretion subsequently offset each such client position with another client position, or a position with one of PCML's Counterparties or retain a proprietary position in the market with the intention to obtain trading profits from such positions. Such decisions and actions may therefore result in PCML off- setting client positions at prices different (sometimes significantly different) from prices quoted to clients, resulting in trading profits or losses for PCML. This in turn can raise the possibility of the Client incurring what may be seen as an implied cost (i.e. the difference between the price at which the Client traded with PCML and the price at which PCML subsequently traded with Counterparties and/or other clients) due to any profits realized by PCML as a result of the Market Making function. However the Market Making function may involve significant costs to PCML if the market moves against PCML as compared to the price at which PCML traded with the Client.
- 14.6 The Client accepts that PCML in such markets where PCML acts as Market Maker, may hold positions that are contrary to positions of the Client, resulting in potential conflicts of interest between PCML and the Client, cf. Clause 16.
- 14.7 In markets, where PCML acts as a Market Maker, the Client accepts that PCML has no obligation to quote prices to clients at all times in any given market, nor to quote such prices to clients with a specific maximum spread.
- 14.8 In markets, where PCML acts as a Market Maker, PCML may or may not charge commissions. However, irrespective of whether or not PCML charges any commissions, the Client accepts that PCML will seek to make additional profits out of its performance as a Market Maker and the size of any such profits may be considerable if and when compared with the Client's margin deposit.
- 14.9 The Client acknowledges, recognizes and accepts that the price quoted to the Client includes a spread when compared with the price to which PCML may have covered or expected to be able to cover the Contract in a trade with another client or a Counterparty. Furthermore, the Client acknowledges, recognizes and accepts that said spread constitutes remuneration to PCML and that such spread not necessarily can be calculated for all Contracts and that such spread will not be specified at the Settlement/Trade Confirmation or otherwise revealed to the Client.

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- 14.10 The Client acknowledges, recognizes and accepts that PCML quotes variable spreads on options. The Client is specifically made aware that variable option spreads are affected by actual market conditions, which are beyond PCML’s control. PCML does not guarantee any maximum or minimum quotable option spreads.
- 14.11 Any commission costs, interest charges, costs associated to and included in the spreads quoted by PCML as a Market Maker in certain markets and other fees and charges will consequently influence the Client’s trading result and will have a negative effect on the Client’s trading performance compared to a situation if such commission costs, interest charges, costs associated to and included in the spreads did not apply.
- 14.12 Whilst dealing spreads and commissions are normally considered moderate seen in relation to the value of the assets traded, such costs may be considerable when compared with the Client’s margin deposit. As a consequence thereof the Client’s margin deposit may be depleted by trading losses that the Client may incur and by the directly visible dealing costs such as commissions, interest charges and brokerage fees as well as the said not visible costs for the Client, caused by PCML’s performance as a Market Maker.
- 14.13 If the Client is an active trader and is undertaking numerous transactions, the total impact of as well visible as not visible costs may be significant. Consequently, the Client may have to obtain significant profits in the markets in order to cover the costs associated with trading activities with PCML. For very active Clients, such costs may over time exceed the value of the margin deposited. Normally, when trading margined derivatives, the lower the percentage of the applicable margin rate, the higher the proportion of the costs associated with executing a transaction.
- 14.14 The Client is specifically made aware that in the area of market making in foreign exchange, OTC foreign exchange options, CFD Contracts and other OTC products, significant implied costs can arise as a consequence of the profits made by PCML performing in its capacity as a Market Maker.
- 14.15 PCML’s performance as a Market Maker may negatively affect the Client’s Account with PCML and the said implied costs are neither directly visible nor directly quantifiable for the Client at any time.
- 14.16 PCML is at no time obliged to disclose any details of its performance or income produced as a Market Maker or otherwise related to other commissions, charges and fees.
- 14.17 The Client is specifically made aware that CFD Contracts may be OTC products quoted by PCML whilst operating as a Market Maker and not traded on a recognized stock exchange. As a result, the description above of the implied, not visible costs related to PCML’s performance as a Market Maker may also apply to any CFD Contract.

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15. AGGREGATION AND SPLIT

- 15.1 PCML is in accordance with the broker's Best Execution Policy entitled to aggregate the Client's orders with the broker's own orders, orders of any of the broker's associates and/or persons connected with PCML including employees and other clients. Furthermore, PCML may split the Client's orders when executing these. The orders will only be aggregated or split if PCML reasonably believes it to be in the best interest of the Client. On some occasion's aggregation and split of the Client's order may result in the Client obtaining a less favorable price than if the Client's orders had been executed respectively separately or mutually.

16. CONFLICTS OF INTEREST

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

17. PCML'S COUNTERPARTIES

- 17.1 In order to give effect to the Client's instructions, PCML may instruct a Counterparty selected at PCML's discretion and PCML shall do so where the transaction is to be subject to the rules of an exchange or market of which PCML is not a member.
- 17.2 PCML shall not be responsible for errors committed by such Counterparties unless it is proven that PCML has not acted with sufficient care when selecting the Counterparty.

18. INTRODUCING BROKERS

- 18.1 The Client may have been referred to PCML by an Introducing Broker. If so, PCML shall not be responsible for any agreement made between the Client and the Client's Introducing Broker. The Client acknowledges that any such Introducing Broker will either be acting as an independent intermediary or an Agent for the Client and that no such Introducing Broker shall be authorized to make any representations concerning PCML or PCML's Services.
- 18.2 The Client is specifically made aware that the Client's agreement with its Introducing Broker may result in additional costs as PCML may pay fees or commission to such person.
- 18.3 The Client is also specifically made aware that the Client's agreement with its Introducing Broker may result in additional costs for the client because the Introducing Broker can deduct commissions and fees as well as price or interest/financing rate adjustments for any trade conducted on or allocated to the Clients account either by the Introducing Broker or the Client.
- 18.4 If the Introducing Broker undertakes any deductions from the Client's Trading Account according to any agreement between the Client and the Introducing Broker, PCML has no responsibility as to the existence or validity of such an agreement.
- 18.5 PCML shall have no responsibility or liability to the Client in following the instructions given by the Introducing Broker. PCML is under no obligation to supervise or otherwise know or review the payment instructions or any other acts, including but not limited to the trading, of

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the Introducing Broker.

- 18.6 The client acknowledges and accepts that frequent transactions may result in a sum total of commissions, fees, price or interest/financing rate adjustments for trades conducted that may be substantial and not necessarily be offset by the net profits, if any, achieved from the relevant trades. The responsibility for correctly assessing whether the size of the total commissions, fees, price or interest/financing rate adjustments for trades conducted paid from the Client’s account makes trading commercially viable, is the combined responsibility of the Client and the Introducing Broker. PCML only acts as the custodian and principal broker, and therefore is not responsible for the size of the commissions and fees as well as price or interest rate paid by the Client.
- 18.7 Any commission, fee, price or interest/financing rate adjustments for trades conducted may be shared between the Introducing Broker, PCML and third parties according to the Introducing Broker’s written instructions and/or at PCML’s discretion.

19. DEFAULT AND DEFAULT REMEDIES

- 19.1 The provisions contained in this Clause supplement any other rights that PCML or any of its associates have according to this Agreement, including but not limited to the Pledge Agreement referred to in Clause 12, and furthermore any other rights PCML has.
- 19.2 PCML reserves the right to retain, or make deductions from, any amounts which PCML owes to or is holding for the Client if any amounts are due from the Client to PCML or PCML’s associates.
- 19.3 The Client authorizes PCML, at PCML’s discretion, at any time and without notice, to sell, apply, set-off and/or charge in any manner any or all of the Client’s property and/or the proceeds of any of the same of which PCML or any of its associates or Agents has custody or control, in order to discharge any or all of the Client’s obligations to PCML or to PCML’s associates.
- 19.4 Each and any of the following events shall constitute an Event of Default in relation to all of a Client’s Contracts, Margin Trades, securities and other business with PCML (regardless of whether the Event of Default only relates to part of the business with PCML):
 - (a) If the Client fails to make any payment or fails to do any other act required under this Agreement or by PCML at its reasonable discretion
 - (b) If the Client fails to remit funds necessary to enable PCML to take delivery under any Contract on the first due date
 - (c) If the Client fails to provide assets for delivery, or take delivery of assets, under any Contract on the first due date; if the Client dies or becomes of unsound mind
 - (d) If an application is made in respect of the Client for any action pursuant to Bankruptcy Act or any equivalent act applicable to the Client or, if a partnership, in respect of one or more of the partners, or if a company, that a receiver, trustee, administrative receiver or similar officer is appointed
 - (e) If a petition is presented for the winding-up or administration of the Client; if an order is made or a resolution is passed for the winding-up or administration of the Client (other

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than for the purposes of amalgamation or reconstruction with the prior written approval of PCML)

- (f) If any distress, execution or other process is levied against any property of the Client and is not removed, discharged or paid within seven days
- (g) If any security created by any mortgage or charge becomes enforceable against the Client and the mortgagee or chargee takes steps to enforce the security or charge
- (h) If any indebtedness of the Client or any of its subsidiaries becomes immediately due and payable, or capable of being declared so due and payable, prior to its stated maturity by reason of default of the Client (or any of its subsidiaries) or the Client (or any of its subsidiaries) fails to discharge any indebtedness on its due date
- (i) If the Client fails to fully comply with obligations under this Agreement or any Contract, including refrains from complying with Margin requirements; if any of the representations or warranties given by the Client are, or become, untrue
- (j) If PCML or the Client is requested to close a Contract (or any part of a Contract) by any regulatory agency or authority; or if PCML reasonably considers it necessary for its own protection or the protection of its associates

19.5 Upon the occurrence of an Event of Default, PCML shall at its discretion be entitled to:

- (a) Sell or charge in any way any or all of the Client’s collateral, assets and property which may from time to time be in the possession or control of PCML or any of its associates or Agents or call on any guarantee, without any notice or court order. Sale of Security, assets and property shall take place by means that PCML in its reasonable discretion determines and at the price that PCML in its reasonable discretion determines to be the best obtainable, provided that PCML shall provide a 7-day notice period before realizing Security of any Client, unless immediate sale is necessary to avoid or limit a loss
- (b) Buy or sell any Security, investment or other property where this is, or is in the reasonable opinion of PCML likely to be, necessary in order for PCML to fulfill its obligations under any Contract and the Client shall reimburse PCML for the full amount of the purchase price plus any associated costs and expenses
- (c) Deliver any Security, investment or property to any third party, or otherwise take any action PCML considers to be desirable in order to close any Contract
- (d) Require the Client immediately to close and settle a Contract in such manner as PCML may in its reasonable discretion request; to enter into any foreign exchange transaction, at such market rates and times as PCML may determine, in order to meet obligations incurred under a Contract; re-invoice all or part of any assets standing to the debit or credit of any Account (including commuting PCML’s or the Client’s obligation to deliver an asset into an obligation to pay an amount equal to the market value of the asset (determined by PCML at its reasonable discretion) on the date re-invoicing takes place)

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- (e) Close-out all Contracts and net all the Client's and PCML's obligations towards each other as of the date fixed by PCML with effect to third parties
- 19.6 The Client authorises PCML to take any or all of the steps described in this Clause without notice to the Client and acknowledges that PCML shall not be responsible for any consequences of it taking any such step, unless PCML has exercised gross negligence in connection herewith. The Client shall execute the documents and take the action as PCML may request in order to protect the rights of PCML and its associates under this Agreement or under any agreement the Client may have entered into with PCML's associates.
- 19.7 If PCML exercises its rights to sell any Security or property of the Client under this Clause, it will effect such sale, without notice or liability to the Client, on behalf of the Client and apply the proceeds of sale in or towards discharge of any of the Client's obligations to PCML or to PCML's associates.
- 19.8 Without prejudice to PCML's other rights under this Agreement or under prevailing law, PCML may, at any time and without notice, combine or consolidate any of the accounts maintained by the Client with PCML or any of its associates and off-set any and all amounts owed to, or by, PCML or any of its associates in such manner as PCML at its reasonable discretion may determine.

20. CLIENT WARRANTIES & REPRESENTATIONS

- 20.1 The Client warrants and represents that:
 - (a) It is not under any legal disability with respect to and is not subject to any law or regulation which prevents its performance according to this Agreement or any Contract or transaction contemplated by this Agreement
 - (b) It has obtained all necessary consents and has the authority to operate according to this Agreement (and if the Client is not an individual person, that it is properly empowered and has obtained necessary corporate or other authority pursuant to its constitutional and organizational documents)
 - (c) Investments or other assets supplied by the Client for any purpose shall, subject to this Agreement, at all times be free from any charge, lien, pledge or encumbrance and shall be beneficially owned by the Client
 - (d) It is in compliance with all laws to which it is subject including, without limitation, all tax laws and regulations, exchange control requirements and registration requirements
 - (e) The information provided by the Client to PCML is complete, accurate and not misleading in any material respect
- 20.2 The above warranties and representations shall be deemed to be repeated each time the Client, in the future, for the duration of the client relationship provides instructions to PCML.

21. INDEMNITY AND LIMITATIONS OF LIABILITY

- 21.1 The Client is obliged to compensate PCML for all losses, taxes, expenses, costs and liabilities whatsoever (present, future, contingent or otherwise and including reasonable legal fees) which may be suffered or incurred by PCML as a result of or in connection with:

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- (a) The Client’s breach of this Agreement
 - (b) PCML entering into any transaction or Contract
 - (c) PCML taking any of the steps which PCML is entitled to take in an Event of Default; unless and to the extent only that such losses, taxes, expenses, costs and liabilities are suffered or incurred as result of PCML’s gross negligence or willful default
- 21.2 This right to compensation shall survive any termination of the Client relationship.
- 21.3 Without prejudice to Clause 6 PCML shall not be liable for:
- (a) Any loss (including consequential and other indirect losses), expense, cost or liability (together referred to as “Loss”) suffered or incurred by the Client as a result of or in connection with the provision of the Services unless and to the extent that such Loss is suffered or incurred as a result of PCML’s gross negligence or willful default
 - (b) Any Loss due to actions taken by PCML according to its rights under this Agreement, or; any consequential or other indirect loss suffered or incurred by the Client whether arising from PCML’s negligence or otherwise.
- 21.4 Especially, the Client acknowledges, recognizes and accepts that any market recommendation and any information communicated by PCML does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell a Contract and that such recommendation and information, although based upon information from sources believed by PCML to be reliable, may be based solely on a broker’s opinion and that such information may be incomplete and may be unverified and unverifiable. PCML makes no representation, warranty or guarantee as to, and shall not be responsible for, the accuracy or completeness of any information or trading recommendation furnished to the Client.

22. CONFIDENTIALITY AND PCML’S DISCLOSURE OF INFORMATION

- 22.1 Neither party shall disclose any information relating to the business, investments, finances or other matters of a confidential nature of the other party of which it may in the course of its duties or obtain possession of, and each party shall use all reasonable endeavors to prevent any such disclosure. However, this shall not apply if a party is obliged here due to prevailing legislation, or to a legislative or supervising authority, or to another person who according to the law is entitled to demand disclosure, or in order to enable the party sufficiently to fulfill its obligations pursuant to this Agreement.
- 22.2 By accepting this Agreement the Client authorizes PCML to disclose such information relating to the Client as may be required by any law, rule or regulatory authority, including any applicable Market Rules, without prior notice to the Client. Furthermore PCML may disclose requested and relevant information relating to the Client to third parties in order to facilitate the transfer of funds by credit card initiated by Client.
- 22.3 By accepting this Agreement the Client permits PCML to transfer personal information about the Client submitted to or collected by PCML with any legal entity within PCML. PCML may transfer such personal information for the purposes of complying with regulatory matters, providing and performing investment advice, investment services, and other services which PCML offers, conducting marketing and managing the client relationship. Furthermore, PCML may share such personal information with a third party agency working on behalf of PCML

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with the purpose of performing client analysis for the use of PCML's sales and marketing and with any introducing broker working on behalf of PCML for the purpose of completing the due diligence and approving of account applications.

- 22.4 The Client's personal information will be stored no longer than necessary to carry out the purposes listed in this Agreement. The Client has the right to request correction, supplementation, deletion, or blocking of such personal information if inaccurate, incomplete, or irrelevant for the purposes of the processing or if processed in any other way that is unlawful. In certain circumstances, the Client may also have the right to object for legitimate reasons to the processing of such personal data in accordance with the procedures set forth in the applicable data protection regulations and to seek other legal remedies available in connection with the processing of such personal information.

23. AMENDMENTS

- 23.1 PCML is entitled to amend this Agreement in favor of the Client without notice. Changes not in the Client's favor may take place at any time by giving a notice of minimum 30 days where Clients are using the Trading Platform for Commercial use, and by giving a notice of 2 months where Clients are using the Trading Platform for Private use. PCML will provide the notice to the Client on a Durable Medium. The Client is deemed to have accepted such changes if he does not, before the proposed date of their entry into force, notify PCML that does not accept them.
- 23.2 When dealing with Contract Options, if a market place on which the relevant exchange traded product is traded or if the Counterparty with whom PCML has entered into a contract which is identical in all respects to the Contract Option PCML has entered into with the Client, take any action which affects the exchange traded product or the contract PCML has entered into with its Counterparty, then PCML may take any such action with regard to the relevant Contract Options which PCML in its reasonable discretion considers desirable or appropriate to correspond with such action taken by the market place or Counterparty or to mitigate any loss which is or may be incurred by it as a result of such action.

24. TERMINATION

- 24.1 The Client relationship shall remain in force until terminated.
- 24.2 The Client is entitled to terminate the Client relationship immediately by giving written notice to PCML. PCML is entitled to terminate the Client relationship with two months' notice where clients are using the Trading Platform for Private use and with one month's notice where clients are using the Trading Platform for Commercial use. PCML will provide the notice to the Client on a Durable Medium. Termination shall not affect any accrued rights and obligations.
- 24.3 On termination, PCML and the Client undertake to complete all Contracts that are already entered into or under execution and this Agreement shall continue to bind both parties in relation to such transactions. PCML is entitled to deduct all amounts due to it before transferring any credit balances on any Account to the Client and it is entitled to postpone

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such transferring until any and all Contracts between PCML and the Client are closed. Furthermore, PCML is entitled to require the Client to pay any charges incurred in transferring the Client's investments.

25. DISPUTES RESOLUTION

- 25.1 In case the Client has raised a question or a problem with the account executive or another employee of PCML without receiving a satisfactory answer, the Client is entitled to file a written complaint with the Compliance Department in PCML. The Compliance Department hereafter investigates and answers the complaint.
- 25.2 Without prejudice to any of PCML's other rights under this Agreement, in case of a dispute between the Client and PCML over a Margin Trade or alleged Margin Trade or any instruction relating to a Margin Trade, PCML is entitled at its reasonable discretion and without notice to close any such Margin Trade or alleged Margin Trade if PCML reasonably believes such action to be desirable for the purpose of limiting the maximum amount involved in the dispute. PCML shall not be responsible to the Client in connection with any subsequent fluctuations in the level of the relevant Margin Trade.
- 25.3 If PCML closes a Margin Trade under this Clause such action shall be without prejudice to PCML's right to contend that such Margin Trade had already been closed by PCML or was never opened by the Client. PCML shall take reasonable steps to inform the Client that PCML has taken such action as soon as practicable after doing so. Where PCML closes a Margin Trade or alleged Margin Trade in accordance with this Clause, the closing shall be without prejudice to the Client's rights to open a new Margin Trade, provided that such Margin Trade is opened in accordance with this Agreement. When calculating margin or other funds required for such Margin Trade, PCML is entitled to do so on the basis that PCML's view of the disputed events or instructions is correct.

26. MISCELLANEOUS

- 26.1 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement under the law of that jurisdiction nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected.
- 26.2 PCML shall not be liable to the Client for any failure, hindrance or delay in performing its obligations under this Agreement where such failure, hindrance or delay arises directly or indirectly from circumstances beyond its reasonable control. Such force majeure events shall include without limitation any technical difficulties or disruptions, non-availability of PCML's website e.g. due to maintenance downtime, declared or imminent war, revolt, civil unrest, catastrophes of nature, statutory provisions, measures taken by authorities, strikes, lock-outs, boycotts, or blockades, notwithstanding that PCML is a party to the conflict and including cases where only part of PCML's functions are affected by such events.
- 26.3 If the Client's combined exposure in one or more margin trades reaches a level which – in case of an adverse market development - may lead to a significant deficit not covered by the Client's deposits and/or margin with PCML then, PCML may in its reasonable discretion

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- (a) Increase the margin requirements and/or
 - (b) Reduce the Client’s exposure by closing one or more or all of the client’s open positions.
- 26.4 No delay or omission on the part of PCML in exercising any right, power or remedy provided by law or under this Agreement, or partial or defective exercise thereof, shall:
- (a) Impair or prevent further or other exercise of such right, power or remedy
 - (b) Operate as a waiver of such right, power or remedy.
- 26.5 No waiver of pleading a default of a clause in this Agreement shall (unless expressly impair or prevent further or other exercise of such right, power or remedy; or operate as a waiver of such right, power or remedy. agreed in writing by the waiving party) be construed as a waiver of a future breach of the same clause or as authorizing a continuation of the particular breach.
- 26.6 The Client hereby ratifies all transactions with PCML effected prior to the Client’s acceptance of this Agreement and agrees that the rights and obligations of the Client in respect thereto shall be governed by this Agreement.
- 26.7 By accepting this Agreement on behalf of a corporation or other legal entity, the person signing represents and warrants that he/she is authorized to act on behalf of such corporation or legal entity and to bind the same to this Agreement and all obligations arising hereunder. If at a later stage it becomes apparent that the signatory was not duly authorized to bind the corporation or legal entity, PCML will have the right to seek restitution from this person. Furthermore, the signatory shall indemnify PCML against all liabilities, losses, damages, costs and expenses in relation to any claims or action brought against PCML as a result of the signatory holding out to be authorized to act and bind any such corporation or legal entity.
- 26.8 Client shall be able to communicate with PCML in English or any other language as PCML may offer from time to time. PCML may communicate with the Client in English or any other language agreed between the parties.
- 26.9 PCML or third parties may have provided the Client with translations of this Agreement. The original English versions shall be the only legally binding versions for the Client and PCML. In case of discrepancies between the English version and other translations in the Client’s possession, the original English version provided by PCML on the website shall prevail.

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RISK DISCLOSURE STATEMENT FOR TRADES IN FOREIGN EXCHANGE AND DERIVATIVES (INCLUDING CFDs, FUTURES AND OPTIONS)

This brief statement, which constitutes an addition to this Agreement, does not disclose all of the risks and other significant aspects of trading foreign exchange and derivatives. In consideration of the risks, you should enter into transactions with the mentioned products only if you understand the nature of the contracts and the contractual legal relationship into which you are entering and the extent of your exposure to risk. Transactions in foreign exchange and derivatives are not suitable for many members of the public. You should carefully consider whether the transaction or trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances.

FOREIGN EXCHANGE AND DERIVATIVES

1. EFFECT OF “LEVERAGE” OR “GEARING”

Transactions in foreign exchange and derivatives carry a high degree of risk. The amount of initial margin may be small relative to the value of the foreign exchange or derivatives contract so that transactions are “leveraged” or “geared”. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against your trading as well as your funds. You may sustain a total loss of initial margin funds and any additional funds deposited with PCML to maintain your position. If the market moves against your position and/or margin requirements are increased, you may be called upon to deposit additional funds on short notice to maintain your position. Failing to comply with a request for a deposit of additional funds, may result in closure of your position(s) by PCML on your behalf and you will be liable for any resulting loss or deficit.

2. RISK-REDUCING ORDERS OR STRATEGIES

The placing of certain orders (e.g. “stop-loss” orders, where permitted under local law, or “stop-limit” orders), which are intended to limit losses to certain amounts, may not be adequate given that markets conditions make it impossible to execute such orders, e.g. due to illiquidity in the market. Strategies using combinations of positions, such as “spread” and “straddle” positions may be as risky as taking simple “long” or “short” positions.

OPTIONS

3. VARIABLE DEGREE OF RISK

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarize themselves with the type of option (i.e., put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs. The purchaser of options may offset or exercise the options or allow the option to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a future, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased option is out-of-the-money when it expires, you will suffer a total loss of your investment, which will consist of the option premium plus transaction costs. If you are contemplating purchasing out-of-the-money

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options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling (“writing” or “granting”) an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a future, the seller will acquire a position in a future with associated liabilities for margin (see the section on Futures above). If the option is “covered” by the seller holding a corresponding position in the underlying asset, in a future or in another option, the risk may be reduced. In case the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

ADDITIONAL RISKS COMMON TO FOREIGN EXCHANGE AND DERIVATIVE TRANSACTIONS

4. TERMS AND CONDITIONS OF CONTRACTS

You should ask the firm with which you deal about the terms and conditions of the Contracts entered into and information on associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

5. SUSPENSION OR RESTRICTION OF TRADING AND PRICING RELATIONSHIPS

Market condition (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g., the suspension of trading in any contract or contract month because of price limits or “circuit breakers”) may increase the risk of loss by making it difficult or impossible to effect transactions or close/ offset positions. If you have sold options, this may increase the risk of loss. Normal pricing relationships between the underlying asset and a derivative do not always exist. The absence of an underlying reference price may make it difficult to judge “fair” value.

6. DEPOSITED CASH AND PROPERTY

You should familiarize yourself with the protections accorded the Security you deposit by way of money or other assets in domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or other assets is governed by the legislation and local rules in the country at which location the counterparty acts.

7. COMMISSION AND OTHER CHARGES

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit or loss.

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8. TRANSACTIONS IN OTHER JURISDICTIONS

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation, which may offer different or diminished investor protection. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected.

9. CURRENCY RISKS

The profit or loss in transactions in foreign currency-denominated contracts in another currency than your account currency will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to the account currency.

10. TRADING FACILITIES

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits may vary: you should ask the firm with which you deal for details in this respect.

11. ELECTRONIC TRADING

Trading on an electronic trading system may differ not only from trading in an open outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions, or is not executed at all and lack of capability to keep you informed continuously about your positions and fulfillment of the margin requirements.

12. OFF-EXCHANGE TRANSACTIONS

In some jurisdictions firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime before you undertake such transactions, you should familiarize yourself with applicable rules and attendant risks.

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Pearl

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