



Client Agreement (Margin)

This client agreement sets out the terms and conditions on and subject to which PKF Capital Markets (Seychelles) Limited (company number 8410175-1, Seychelles, Securities Dealer License No. SD001) and the Client enter into Transactions.

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This **Agreement** is made between **PKF Capital Markets (Seychelles) Limited** and the **Client** and sets out the terms and conditions on and subject to which PKF Capital Markets (Seychelles) Limited (company number 8410175-1, Seychelles, Securities Dealer License No. SD001) and the Client enter into Transactions.

1. Interpretation

1.1 Definitions

In this Agreement, unless the context otherwise requires:

Abnormal Market Conditions means that, in the opinion of PKF Capital, abnormal, emergency or unusual conditions exist in any foreign exchange, securities, commodities, derivatives or futures market or exchange the effect or likely effect of which is that:

- (a) the prices, rates or availability of any currency, security, commodity, derivative or future is materially affected; or
- (b) PKF Capital or any of its Associates, is not able or is not willing to make prices or rates in any currency, security, commodity, derivative or future;

Account means, in relation to the Client, a running account maintained by PKF Capital for the purpose of recording certain credits and debits in relation to Transactions, margin and other financial requirements, as set out or described in this Agreement;

Agreement means this agreement and includes each schedule (including the Rates Schedule) and any addendum to this agreement and any other document expressed by PKF Capital to be part of this agreement as amended from time to time in accordance with clause 4.3;

Applicable Law includes each statute and each regulation in each relevant jurisdiction and other instrument under any such statute or regulation that:

- (a) applies to the conduct by PKF Capital of its business; or
- (b) applies to the performance by PKF Capital or the Client of its obligations under this Agreement or any Transaction; or
- (c) otherwise applies to PKF Capital or to the Client;

Application Form means the application form and account opening documentation completed by the Client and submitted to PKF Capital;

Associate means, in the case of PKF Capital only, each of its Related Companies and each person that has a 25 per cent or more direct or indirect interest in PKF Capital or any of those Related Companies;

Authorised Person means the Client and/or any person authorised by the Client to give instructions (oral, written or electronic) to PKF Capital in the Application Form or otherwise under clause 27.1(a);

Base Rate means, at any time:

- (a) in the case of the United States dollar, the overnight Federal Reserve cash rate; and

- (b) in the case of another currency, the official cash rate or other base rate for that currency at that time of the relevant Public Authority;

Break Date has the meaning set out in clause 19.1;

Buffer Account means each buffer account opened by PKF Capital with a Hedging Counterparty for the purposes of providing a buffer or margin in relation to the Hedging Arrangements;

Business Day means:

- (a) a day (not being a Saturday or Sunday) on which banks and foreign exchange markets are open for business in Auckland; and
- (b) in the case of a payment or the determination of an exchange rate or interest rate, a day on which banks and foreign exchange markets are open for business in the principal financial centres of the countries of the relevant currencies;

Client means the person who has agreed to be bound by the terms and conditions of this Agreement and who has been notified by PKF Capital that his or her application has been accepted;

Client Base Currency means United States dollars or otherwise such currency as is agreed separately between PKF Capital and the Client in writing;

Client Money means, in relation to the Client:

- (a) all money which:
 - (i) in the course of carrying on its business of dealing in Transactions, PKF Capital or any person on its behalf holds for, or receives from or on behalf of, the Client; and
 - (ii) is not immediately due and payable on demand to PKF Capital or that other person for its own account; and
- (b) where the money is required by the schedule to be held in a Segregated Funds Account, all such money held in a Segregated Funds Account;

Close of Business means 5:00 p.m. (New York time) each day, other than a Saturday or a Sunday;

Close Out Formula means the standard formula or formulae used by PKF Capital, at the time of termination of a Transaction, to determine any Settlement Amount;

Commencement Date means the date on which PKF Capital notifies the Client that, having received and accepted a duly completed and transmitted Application Form and completed all further checks or enquiries that PKF Capital deems necessary or desirable, the Client's application has been accepted;

Companies Act means the Companies Act 1972 of the Republic of Seychelles;

Confidential Information means, in relation to a party and each of its Related Companies and Associates:

- (a) the know-how, trade secrets, technical processes, information relating to pricing, market share, products, finances, clients or suppliers, the right to all lists of clients and suppliers of that party or of any of its Related Companies or Associates; and
- (b) other information relating to that party or to any of its Related Companies or Associates and their respective businesses,

which by its nature, or by the circumstances of its disclosure to the holder of the information, is or could reasonably be expected to be regarded as confidential;

Confirmation:

- (a) means, in relation to a Transaction, a document or other confirming evidence delivered to one party by the other party, exchanged between the parties, available by way of an Electronic Trading Platform or otherwise effective, and whether by way of the Electronic Trading Platform or otherwise, in each case for the purposes of confirming or evidencing that Transaction; but
- (b) does not include an electronic mail or text message, unless PKF Capital specifies otherwise in that electronic mail or text message or otherwise in writing;

Consequential Loss means any indirect or consequential Loss, including loss of profits, business or anticipated savings and damages, whether or not the Loss was or ought to be known by the relevant party;

Corporate Action means an event (including a dividend payment, corporate restructuring, rights issue, bonus issue, share buy-back or share split) initiated by a company that affects the securities issued by that company;

Cost of Funds means, in relation to an amount payable by the Client to PKF Capital, the rate per annum equal to the cost to PKF Capital (as determined by PKF Capital) if it were to fund that amount;

Credit Requirement means any Margin Requirement or other credit requirement that may be specified in the schedule or addendum in relation to a type of Transaction;

Defaulting Party has the meaning set out in clause 18.1;

Deposit Interest has the meaning set out in clause 8.1;

Disclosure Document means, at any time, the Combined Financial Services Guide and Product Disclosure Statement which is then current issued by PKF Capital in relation to Transactions;

Dispute has the meaning set out in clause 29.1;

Electronic Trading Platform means an electronic trading platform referred to in clause 6.1(a) made available by PKF Capital to the Client, including by way of the Internet, for the purposes, among other things, of entering into certain types of Transactions;

Event of Default has the meaning set out in clause 18.1;

Force Majeure means any event or cause beyond the reasonable control of PKF Capital, including:

- (a) Abnormal Market Conditions; or

- (b) an act of God, inevitable accident, fire, lightning, cyclone, earthquake, landslide, volcanic eruption or other natural phenomenon; or
- (c) sabotage, revolution, insurrection, act of war (whether declared or not) or war-like operations; or
- (d) a confiscation or expropriation, embargo, quarantine restriction or any like event; or
- (e) any strike, dispute or lockout; or
- (f) an epidemic, toxic emission or any like event; or
- (g) a requirement, restriction, prohibition, intervention, law, regulation, decree or other legally enforceable order of any Public Authority; or
- (h) an explosion, nuclear accident or any like event; or
- (i) a telecommunications, network, power or equipment failure or damage, or power or water shortage,

as a result of which, in each case in the opinion of PKF Capital, it is impossible, impractical or illegal for PKF Capital to perform and comply with any of its obligations under this Agreement or any Transaction;

Free Margin means, at any time, the amount in an Account available to meet any additional Margin Percentage Requirement (if applicable) at that time and which is determined in accordance with the schedule;

Hedging Counterparty means a counterparty to any Hedging Arrangements;

Hedging Arrangements means certain hedging arrangements that PKF Capital as principal has entered into or may enter into with one or more third parties for the purposes, among other things, of hedging its exposures under this Agreement and Transactions;

Intellectual Property Rights means all patents, copyrights, trade secrets, trademarks, service marks, trade names and all other intellectual property rights;

Interest Earning Amount means the amount, as determined in accordance with the schedule, in an Account on which PKF Capital agrees from time to time to pay interest;

Licensors means each licensor of any software utilised by PKF Capital in relation to an Electronic Trading Platform;

Limit Order means, in relation to a Transaction, an order placed by the Client with PKF Capital to enter into that Transaction when the applicable exchange rate reaches a pre-determined level;

Loss means a claim, action, proceeding, judgment, damage, loss, cost, expense or liability, however arising and whether present, future or contingent, whether ascertained or unascertained and whether arising before or after the Commencement Date;

Margin CFD means a Transaction that is entered into to swap the difference in price of an underlying reference instrument that is automatically rolled over at Close of Business;

Margin FX means a Transaction that is entered into as a spot foreign exchange Transaction that is automatically rolled over at Close of Business;

Margin Interest Threshold means the amount determined in accordance with clause 8.1(d);

Margin Percentage means, at any time, the percentage specified by PKF Capital in the Rates Schedule at that time or, where relevant, the Margin Platform Addendum at that time;

Margin Percentage Requirement means, at any time, the amount calculated in accordance with the schedule or the Margin Platform Addendum (where applicable);

Margin Platform Addendum means the terms and conditions published under the heading "Margin Platform Addendum" on the PKF Capital website from time to time;

Margin Requirement means, at any time, the amount calculated in accordance with the schedule or the Margin Platform Addendum (where applicable);

Margin Transaction means a Margin FX Transaction or a Margin CFD Transaction;

Maximum Trading Size means, at any time in relation to a Transaction, the maximum Transaction Value that PKF Capital specifies at that time either generally or for each of its electronic platforms;

Minimum Trading Size means, at any time in relation to a Transaction, the minimum Transaction Value that PKF Capital specifies at that time either generally or for each of its electronic platforms;

Non-defaulting Party has the meaning set out in clause 18.1;

Normal Trading Hours means 7:00 a.m. (New Zealand time) on Monday to 5:00 p.m. (New York time) on Friday;

Privacy Statement means, at any time, the privacy statement in any then-current Disclosure Document at that time or as otherwise published or provided by PKF Capital which explains how PKF Capital collects personal information and maintains, uses and discloses that information;

Public Authority means:

- (a) any government in any jurisdiction whether national, federal, state, regional, territorial or local; and
- (b) any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or any state-owned enterprise; and
- (c) the Seychelles International Business Authority;

Rates Schedule means, at any time, the schedule or other document of PKF Capital containing its Credit Requirements, Margin Interest Thresholds, interest rates and certain other rates, fees, commissions and charges applicable to Transactions at that time, which is either published on the PKF Capital website or otherwise available on request from PKF Capital;

Registered Bank means any **bank** licensed as such in Seychelles or any **bank** licensed and regulated as such outside of the Seychelles;

Related Company has the same meaning as in the Companies Act, with any necessary modifications for companies incorporated or established outside Seychelles;

Representative means, in relation to any person, each of its officers, directors, employees, agents and representatives;

Rollover has the meaning set out in clause 5.1 of the schedule;

Rollover Enhancement Income has the meaning set out in clause 5.1 of the schedule;

Securities Act means the Seychelles Securities Act, 2007;

Security Credentials means, in relation to any Trading Platform, any security credentials that the Client and/or any of its Authorised Persons uses to access or use the Trading Platform, including any user name, account number, Client ID, user ID and/or password;

Segregated Funds Account means a United States dollar bank account that, where required by the schedule, is established and maintained by PKF Capital in accordance with the schedule for the purpose of receiving, holding and disbursing Client Money, including client money of other clients of PKF Capital;

Settlement Amount, in relation to each Terminated Transaction and the corresponding Termination Date, means the Termination Currency Equivalent of the amount calculated by PKF Capital in accordance with the Close Out Formula necessary to compensate, as the case may be, PKF Capital (in which case the amount is expressed as a positive number) or the Client (in which case the amount is expressed as a negative number) for that party's total losses and costs in connection with or consequent upon the termination of that Terminated Transaction on that Termination Date;

Stop Loss Order means, in relation to a Transaction, an order placed by the Client with PKF Capital to close out that Transaction when the applicable exchange rate moves to a pre-determined level;

Tax(es) includes any tax, levy, impost, stamp or other duty and any other charge, deduction or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of these);

Terminated Transaction means a Transaction that is terminated in accordance with clause 20;

Termination Currency Equivalent means:

- (a) in relation to any amount denominated in the Client Base Currency, that Client Base Currency amount; and
- (b) in relation to any amount denominated in a currency other than the Client Base Currency (the **other currency**) at any time the amount in the Client Base Currency determined by PKF Capital as being required to purchase the amount of that other currency at that time;

Termination Date means a date for the termination of all or some Transactions either as specified in a Termination Notice or as otherwise provided by this Agreement;

Termination Notice means a notice given by PKF Capital in accordance with this Agreement terminating all or some Transactions;

Trading Platform means either:

- (a) an Electronic Trading Platform; or
- (b) telephone or other means as may be specified by PKF Capital in writing with respect to a type of Transaction;

Trading Platform Communication means any order or instruction or other communication sent by way of the Trading Platform by or on behalf of the Client (or purportedly by or on behalf of the Client);

Transaction means any transaction into which PKF Capital and the Client have entered or propose to enter involving, or referable to the value of, or granting rights or accepting obligations in respect of or by reference to one or more currencies, which for the avoidance of doubt includes currency option transactions;

Transaction Value means, at any time in relation to a Transaction, the current value of that Transaction, being the nominal position in each financial instrument of that Transaction, converted, where necessary, to the Client Base Currency at the PKF Capital Exchange Rate at that time;

Value Date means:

- (a) in relation to a Margin FX Transaction, the spot delivery day for the currency pair to be purchased and sold pursuant to that Transaction as generally used in the relevant currency market; and
- (b) in relation to any other Transaction, the Business Day determined by PKF Capital for the currency pair to be purchased and sold pursuant to that Transaction.

PKF Capital Exchange Rate means, in relation to the exchange of one currency into another at any time, the exchange rate applicable to those currencies that PKF Capital, acting reasonably, determines at that time having regard to current market rates;

PKF Capital's Preferred Side means, at any time in relation to the PKF Capital Spread, the bid or offer price, as the case may be, at which PKF Capital, as price maker, is prepared to deal at that time;

PKF Capital Rollover Interest Rate means, in relation to a Rollover and a currency, the relevant Base Rate plus or minus, as the case may be, the PKF Capital Spread at the relevant Close of Business; and

PKF Capital Spread means, at any time, the difference between the bid and offer prices of an exchange rate or interest rate quoted by PKF Capital at that time;

1.2 Interpretation of certain references

In this Agreement, unless the context otherwise requires:

(a) Agreement

agreement includes a contract, deed, licence, franchise, undertaking, arrangement or understanding (in each case, whether oral or written, present or future) or other document recording obligations (whether mutual or otherwise) and includes that document as amended, assigned, novated or substituted from time to time;

(b) Assets

assets includes the whole or any part of the relevant person's business, undertaking, property, revenues or choses in action (in each case, present or future);

(c) **Consent**

a **consent** includes an approval, authorisation, exemption, filing, licence, order, permit, recording and registration;

(d) **Costs**

costs incurred by a person include all commissions, charges, losses, expenses (including legal fees on a solicitor and own client basis) and taxes incurred by that person;

(e) **Guarantee**

a **guarantee** includes an indemnity, letter of credit, legally binding letter of comfort, suretyship and other agreement the economic effect of which is to provide security, or otherwise assume responsibility, for the indebtedness of another person;

(f) **Liquidation**

the **liquidation** of a person includes the dissolution, winding-up and bankruptcy of that person and any analogous procedure under the law of any jurisdiction in which that person is incorporated, domiciled, carries on business or has property;

(g) **Material adverse effect**

something having a **material adverse effect** on a person is a reference to it having a material adverse effect:

(i) on that person's financial condition or operations or on its consolidated financial condition or operations; or

(ii) on its ability to comply with its obligations under this Agreement; and

(h) **Security interest**

a **security interest** includes a mortgage, pledge, charge, lien, hypothecation, encumbrance, deferred purchase, title retention, finance lease, contractual right of set-off, flawed asset arrangement, sale-and-repurchase and sale-and-leaseback arrangement, order and other arrangement of any kind, the economic effect of which is to secure a creditor

but does not include a lien arising solely by operation of law.

1.3 **Construction of certain references**

In the construction of this Agreement, unless the context otherwise requires:

(a) **Party, clause or schedule**

a reference to a clause or schedule is a reference to a party to, clause of, or a schedule to, this Agreement;

(b) **Varied document**

a reference to this Agreement or another to agreement or document includes any variation, novation or replacement of it;

(c) **Statutes**

a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before, or after the date of this Agreement);

(d) **Singular includes plural**

the singular includes the plural and *vice versa*;

(e) **Person includes groups**

the word person includes an individual, a body corporate, an association of persons (whether corporate or not), a trust, a state and an agency of state (in each case, whether or not having a separate legal personality);

(f) **Person includes successors**

a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assignees;

(g) **Grammatical forms**

where a word or phrase is defined, its other grammatical forms have a corresponding meaning;

(h) **Gender**

words importing one gender include the other genders;

(i) **Inclusive words**

the word **including** when introducing an example does not limit the meaning of the words to which the example relates;

(j) **Continuing**

an Event of Default is **continuing** until it has been waived in writing by, or remedied to the satisfaction of, PKF Capital;

(k) **Writing**

the words written and writing include facsimile communications and electronic mail and any other means of communication resulting in permanent visible reproduction; and

(l) **Close out**

a reference to "close out" or "closing out" is a reference to a party terminating a Transaction or Transactions.

1.4 Headings

Headings are inserted for convenience and do not affect the interpretation of this Agreement.

2. Application Form

By submitting an Application Form, the Client:

(a) **Agreement and Disclosure Document understood**

acknowledges to PKF Capital that the Client has received or downloaded, and read and understood, this Agreement and any then-current Disclosure Document; and

(b) **Transactions**

whether or not this Agreement is specifically referred to and unless the terms of this Agreement are expressly excluded, every Transaction is governed by the terms and conditions of this Agreement.

3. Term of Agreement

(a) **Commencement**

This Agreement takes effect, and the rights and obligations of each party commence, on and from the Commencement Date.

(b) **Termination**

This Agreement continues in force until terminated in accordance with its terms or as agreed by the parties.

4. Scope of Agreement

4.1 Transactions

Subject to the Client fulfilling its obligations under this Agreement, PKF Capital may enter into Transactions with the Client as set out in, and in accordance with, the schedule.

4.2 Types of Transactions offered

Subject to the requirements of the Applicable Law PKF Capital may, but is not obliged to, enter into Margin Transactions with the Client in accordance with the schedule.

4.3 Further Transactions and other amendments to this Agreement

If PKF Capital specifies any further type of Transaction that it may enter into with the Client or if PKF Capital otherwise determines (in its sole discretion) that amendments to this Agreement are necessary, the Client acknowledges and agrees that:

- (a) PKF Capital may amend this Agreement including, in the case of any further type of Transaction being specified, to reflect the terms and conditions on and subject to which PKF Capital will enter into any such Transaction;
- (b) any such amendment will be notified to the Client by way of the PKF Capital website or each Electronic Trading Platform or electronic mail or such other form of communication as PKF Capital determines to be appropriate;
- (c) a copy of this Agreement, as amended, will be available on PKF Capital's website; and
- (d) the Client will be bound by this Agreement as amended immediately it enters into any further Transaction.

4.4 **Single agreement**

This Agreement, each Transaction (and, to the extent recorded in a Confirmation, each Confirmation) together constitute a single agreement between the parties.

4.5 **Advice**

(a) **No investment advice**

The Client acknowledges and agrees that, unless PKF Capital agrees otherwise in writing:

(i) **PKF Capital not responsible**

PKF Capital is not responsible for providing any recommendation, opinion or guidance in relation to the entry into of this Agreement or any Transaction; and

(ii) **Client solely responsible**

entry into of a Transaction by the Client does not mean that PKF Capital makes a recommendation, holds an opinion or gives guidance to the Client in relation to its entry into of that Transaction.

(b) **General information**

The Client acknowledges and agrees that PKF Capital does not intend to and is not required to consider one or more of the Client's objectives, financial situation and needs but that:

(i) **Information to Clients generally**

PKF Capital may provide general information to the Client that PKF Capital provides to its clients generally; and

(ii) **Particular needs of Client not considered**

that information will not take into account the particular needs, objectives or financial circumstances of the Client.

4.6 Risks of Transactions

The Client acknowledges and agrees that:

(a) **Risk disclosure in Disclosure Document**

the Client has read and understood the risks of entering into Transactions outlined in the Disclosure Document and/or on PKF Capital's website; and

(b) **Risk of loss**

entering into Transactions incurs the risk of loss as well as the prospect of profit.

5. No agency

5.1 PKF Capital is principal

PKF Capital enters into this Agreement and each Transaction as principal and not as agent.

5.2 Client is principal

(a) **Representation and undertaking**

The Client represents and warrants to PKF Capital that it enters into this Agreement, and undertakes that it will enter into each Transaction, as principal and not as agent.

(b) **Deemed repetition of representation**

The representation and warranty in paragraph (a) is deemed to be repeated each time the Client enters into a Transaction.

5.3 Undisclosed agency

If the Client nevertheless enters into this Agreement or any Transaction on behalf of one or more principals, the Client acknowledges and agrees that PKF Capital does not accept any such principal as a client for the purposes of this Agreement or any Transaction.

5.4 Limited circumstances where Client may be agent

PKF Capital may accept as a client a Client who acts as agent for a principal only if the Client and PKF Capital enter into an addendum amending this Agreement.

6. Trading Platform

6.1 Availability of Trading Platform

(a) **Schedule specifies form of Trading Platform**

For each type of Transaction offered by PKF Capital, the schedule and/or addendum will specify:

- (i) if an Electronic Trading Platform is available; or

(ii) such other form of Trading Platform that may be used.

(b) Password-protected Electronic Trading Platform

Where an Electronic Trading Platform is available, PKF Capital will deal with the Client by way of a password-protected electronic trading platform to which the Client has access over the Internet.

(c) Transacting only in accordance with specified Trading Platform

The Client acknowledges and agrees that the Client may not transact with PKF Capital except in accordance with the specified Trading Platform or as may otherwise be agreed by PKF Capital on a case by case basis.

6.2 Using an Electronic Trading Platform

(a) What an Electronic Trading Platform enables Client to do

PKF Capital may provide an Electronic Trading Platform for the purpose of the Client entering into certain types of Transactions, viewing Confirmations and/or other ancillary services.

(b) Agreement to access and use

The Client agrees to access and use each Electronic Trading Platform in accordance with, and solely for the purposes set out in, this Agreement.

(c) Third party providers

The provision of an Electronic Trading Platform may involve the sub-licensing of Licensor software and/or information systems.

(d) Changes to Electronic Trading Platform

PKF Capital or the Licensor may, with or without notice to the Client, change the nature, composition, features or availability of an Electronic Trading Platform.

(e) Reference to Electronic Trading Platform in Agreement

(i) PKF Capital may provide one or more Electronic Trading Platforms depending upon the type of Transactions that PKF Capital is willing to enter into at that time.

(ii) A reference to "Electronic Trading Platform" in this Agreement is a reference to the Electronic Trading Platform(s) provided in relation to the relevant type of Transaction.

(f) Unavailability of Electronic Trading Platform

Where, for any reason, the Client is unable to access and use the relevant Electronic Trading Platform, PKF Capital may, at its absolute discretion, trade through other means with the Client, such as by telephone.

6.3 Acknowledgments and agreements of Client

The Client:

(a) **Authority to make determinations**

authorises PKF Capital to make certain determinations under this Agreement, including in relation to Rollovers, the Client's margin position and the termination and close-out of Transactions through use of and/or communication by way of the relevant Trading Platform;

(b) **"As is" basis**

acknowledges and agrees that any Electronic Trading Platform is provided on an "as is" basis;

(c) **Risks of use of Trading Platform**

- (i) acknowledges and agrees that there are significant risks associated with using and relying on a Trading Platform, including risks related to the use of software and/or telecommunications systems, such as software errors and bugs, delays in telecommunications systems, interrupted service, data supply errors, faults or inaccuracies and security breaches;
- (ii) assumes all risk of use or attempted use of a Trading Platform and any data provided by way of a Trading Platform; and
- (iii) acknowledges and agrees that it has no recourse against PKF Capital or any Licensor in relation to the use or availability of a Trading Platform or any errors in Licensor software and/or related information systems;

(d) **Support and maintenance**

acknowledges and agrees that PKF Capital has no obligation or responsibility to provide support for or maintenance of any Trading Platform, including by supplying any corrections, updates or new releases;

(e) **No responsibility to inform Client of difficulties**

acknowledges and agrees that PKF Capital has no obligation or responsibility:

- (i) to inform the Client of any difficulties PKF Capital or other third parties experience in relation to use of or access to a Trading Platform or to take any action in relation to those difficulties; and
- (ii) to verify, correct, complete or update any information displayed on a Trading Platform;

(f) **Client responsibility**

- (i) assumes full responsibility for any decision in relation to which any data provided to the Client by way of a Trading Platform may be used or relied upon;
- (ii) will make its own independent decision to access or use a Trading Platform or to enter into any Transaction; and
- (iii) acknowledges and agrees that no Trading Platform serves as the primary basis for any of the Client's investment decisions concerning its accounts or its managed or fiduciary accounts;

(g) Authorised Persons

- (i) agrees to be responsible for ensuring that each of its Authorised Persons accesses or uses any Trading Platform in compliance with this Agreement or as otherwise notified by PKF Capital, as if the same were stated to apply to the Authorised Person;
- (ii) agrees to be responsible for ensuring that any person who accesses or uses a Trading Platform is duly qualified and appointed as an Authorised Person;
- (iii) agrees that the Client is liable for the conduct of each of its Authorised Persons; and
- (iv) in the case of any breach of this Agreement by any of its Authorised Persons, agrees to notify PKF Capital immediately;

(h) Security Credentials

- (i) agrees to ensure the security and confidentiality of all Security Credentials;
- (ii) agrees to ensure that any such Security Credentials are exclusive to and only used by a single Authorised Person;
- (iii) agrees to ensure that each Authorised Person maintains the security and confidentiality of such Security Credentials and that none of its Authorised Persons:
 - (A) copies, distributes or transfers any such Security Credentials in any manner to any other computer, computer system or electronic device; or
 - (B) modifies, alters, disassembles or decrypts any Security Credentials, attempts to do so or allows another person to do so or attempt to do so; or
 - (C) uses the Security Credentials for any purpose other than to communicate with PKF Capital; and
- (iv) agrees and acknowledges that, if any person who is not an Authorised Person accesses or uses a Trading Platform using a Security Credential, the Client is liable for the conduct of that person and the person's compliance with this Agreement as if that person were an Authorised Person, whether or not the Client authorises the access and/or use;

(i) Termination, etc., of Security Credentials

acknowledges and agrees that, if PKF Capital determines that the security surrounding any Trading Platform or the security or confidentiality of any Security Credentials is or has been breached, PKF Capital may terminate, revoke, suspend, modify or change any or all of the Security Credentials at any time with or without prior notice; and

(j) Trading Platform Communications

- (i) acknowledges and agrees that where a Trading Platform requires the use of Security Credentials, all Trading Platform Communications are deemed to be on behalf of and authorised by the Client;

- (ii) accepts all responsibility for the genuineness and accuracy, in relation to content and form, of all Trading Platform Communications and for all resulting actions, including orders entered and Transactions entered into;
- (iii) acknowledges that PKF Capital is not obliged to act on any Trading Platform Communication and will be free to accept or reject, in its sole discretion, any transaction that the Client seeks to execute through the Trading Platform;
- (iv) acknowledges and agrees that PKF Capital may, at its discretion, verify receipt of any Trading Platform Communications;
- (v) acknowledges and agrees that the Client has no right to amend or revoke a Trading Platform Communication, unless PKF Capital agrees otherwise; and
- (vi) acknowledges and agrees that:
 - (A) PKF Capital's records of any Trading Platform Communication and any communication sent by PKF Capital by way of the relevant Trading Platform are deemed to be accurate until the contrary is proven; and
 - (B) the Client bears the burden of proof that those records are inaccurate or incomplete, except in the case of manifest error or fraud.

(k) **Provision of Market Information**

acknowledges and agrees that where a Trading Platform displays market data and other purely factual information (collectively "**Market Information**") that:

- (i) PKF Capital does not endorse or approve the Market Information and makes it available to the Client only as a service and convenience;
- (ii) PKF Capital does not guarantee the accuracy, timeliness, completeness or correct sequencing of the Market Information;
- (iii) PKF Capital does not warrant any results from the Client's use or reliance on the Market Information;
- (iv) PKF Capital is not obligated to update any information or opinions contained in any Market Information;
- (v) PKF Capital may discontinue offering Market Information at any time;
- (vi) PKF Capital will not be liable in any way for the termination, interruption, delay or inaccuracy of any Market Information; and
- (vii) The Client will not redistribute or facilitate the redistribution of Market Information to any third party.

6.4 Third party Licensors

(a) **Waiver of claims**

- (i) The Client acknowledges and agrees that the provision of an Electronic Trading Platform may involve the sub-licensing of Licensor software and/or information systems.

- (ii) The Client waives all claims and causes of action which it may otherwise have against a Licensor.

(b) Licensor not party to Transactions

The Client acknowledges and agrees that:

- (i) the Licensor is providing only a technical means for effecting Transactions;
- (ii) the Licensor is neither directly nor indirectly a party to any Transaction;
- (iii) the Licensor is not inviting, arranging for, or advising the Client or any third party to effect any Transaction or to purchase, sell or otherwise deal in any currency, security, commodity, derivative or future;
- (iv) the Licensor is not liable in any manner to any person for the failure of any person effecting a Transaction by way of an Electronic Trading Platform to perform its obligations under that Transaction; and
- (v) the Licensor will not be involved in any dispute relating to any Transaction.

(c) Audit

The Client:

- (i) is to maintain, for the duration of this Agreement, and for a period of 3 years afterwards, accounting and computer records that enable PKF Capital and/or any Licensor to determine compliance with this clause and this Agreement;
- (ii) is to permit PKF Capital and/or any Licensor to audit the Client's access to and use of any Electronic Trading Platform (including the Client's records of its access to and use of that Electronic Trading Platform); and
- (iii) acknowledges that information obtained pursuant to this clause may be used to determine the Client's compliance with this clause.

(d) Intellectual Property Rights in Electronic Trading Platform

- (i) The Client acknowledges and agrees that:
 - (A) all Intellectual Property Rights in respect of or derived from an Electronic Trading Platform are and remain the sole and exclusive property of PKF Capital and/or any Licensors; and
 - (B) the Client has no Intellectual Property Rights in respect of or derived from and will not acquire any Intellectual Property Rights in relation to an Electronic Trading Platform and/or any derivative or adaptation of an Electronic Trading Platform.
- (ii) The Client is to use all reasonable efforts:
 - (A) to protect any such Intellectual Property Rights in an Electronic Trading Platform; and

(B) to comply with a request of PKF Capital, acting reasonably, to protect its contractual, statutory and common law rights and obligations in respect of an Electronic Trading Platform.

(iii) If the Client becomes aware of any access to or use of the Electronic Trading Platform by a third party that is unauthorised or which constitutes an infringement or interference with any of PKF Capital's and/or the Licensor's Intellectual Property Rights, it is promptly to notify PKF Capital and, acting reasonably, co-operate with PKF Capital and/or any Licensor with respect to any legal action which PKF Capital and/or any Licensor may undertake in respect of the infringement.

(e) **Restrictions on use of Electronic Trading Platform**

The Client acknowledges and agrees not:

- (i) to access or use any Electronic Trading Platform for any purpose other than to request prices and enter into Transactions with PKF Capital; or
- (ii) to use, copy, merge, make derivative works of or transfer copies of any software; or
- (iii) to use or disclose to any third party any information obtained through or from an Electronic Trading Platform other than for the purposes expressly set out in this Agreement; or
- (iv) to allow any access to or use of an Electronic Trading Platform by any third party; or
- (v) to sell, lease or otherwise provide, directly or indirectly, an Electronic Trading Platform to any third party except as expressly permitted by this Agreement; or
- (vi) to reverse engineer, disassemble or decompile any software; or
- (vii) to copy any manuals related to an Electronic Trading Platform; or
- (viii) to remove any statutory copyright notice, or other notice included in an Electronic Trading Platform or Licensor software or on any medium containing that software; or
- (ix) to transmit or receive using an Electronic Trading Platform (or cause to transmit or receive) any information or material which is pornographic, obscene, abusive, profane, offensive, misleading, deceptive, disparaging or defamatory; or
- (x) to use the Electronic Trading Platform after the expiry, termination or cancellation of this Agreement and/or any license agreement between PKF Capital and its Licensor.

6.5 **Security and operating environment**

The Client is responsible for ensuring the adequacy of the operating environment and the security of the environment, both physical and electronic, of the Client's and the Client's Authorised Persons' access to and use of an Electronic Trading Platform, including:

(a) **Maintain security measures**

maintaining appropriate security measures to prevent unauthorised access to, use of or damage:

- (i) to an Electronic Trading Platform and any information systems accessible through an Electronic Trading Platform; and
- (ii) to any password management system not explicitly controlled by PKF Capital or a Licensor;

(b) **Use of Electronic Trading Platform from laptop, etc.**

where the Client accesses and uses, or attempts to access and use, an Electronic Trading Platform from any laptop computer or other portable device, taking all measures necessary to ensure the security, integrity and reliability of such computer or other portable device (including the security of the internet connection) and the Client is solely liable for any failure in such computer or other portable device's security, integrity or reliability; and

(c) **Compliance with operational and security procedures**

complying with all reasonable operational and security procedures notified by PKF Capital from time to time and to inform PKF Capital immediately of any breach of security.

6.6 Disclaimer

To the maximum extent permitted by law, PKF Capital makes no representation or warranty (express or implied) and expressly disclaims any warranties:

(a) **Quality and performance of Trading Platform**

in relation to the merchantability or fitness for a particular purpose and any warranty for the access to or use of or the results of the access to or use of a Trading Platform with respect to its suitability, availability, functionality, correctness, quality, accuracy, completeness, reliability, performance, timeliness, operation, continued availability or otherwise;

(b) **Instructions**

that any Trading Platform Communication:

- (i) will result in PKF Capital entering into a Transaction with the Client; and/or
- (ii) has been received by PKF Capital; and

(c) **Requirements or needs**

that a Trading Platform meets the requirements or needs of the Client.

7. Entry into of Transactions

7.1 Price quotes

(a) **PKF Capital quotes prices and rates**

PKF Capital, by way of the relevant Trading Platform or otherwise, quotes prices and rates which provide an indication of the prices and rates at which it is prepared to enter into Transactions and otherwise deal with the Client.

(b) **PKF Capital is price maker**

The Client acknowledges and agrees that:

- (i) PKF Capital acts under this Agreement as a price maker;
- (ii) PKF Capital, by way of the relevant Trading Platform or otherwise, sets the applicable price or rate at which it is prepared to enter into Transactions and otherwise deal with the Client; and
- (iii) accordingly, by reason of PKF Capital's Preferred Side, prices and rates that may be quoted and/or traded upon from time to time by other price and/or market makers or third parties do not apply to Transactions and dealings between PKF Capital and the Client.

7.2 **Client's decision to trade**

Except where a Transaction is terminated and closed out under this Agreement, the Client is responsible for deciding whether or not to deal at those prices or rates.

7.3 **Offer and acceptance**

(a) **Offer by Client**

- (i) If the Client wishes to deal at the prices or rates so indicated by PKF Capital, it may make an offer to PKF Capital to deal at that price or rate by communicating the requisite message by way of the relevant Trading Platform.
- (ii) Subject to clause 7.4(c), the Client acknowledges and agrees that, once it communicates that message, its offer is irrevocable.

(b) **Acceptance by PKF Capital**

- (i) PKF Capital may choose, in its absolute discretion, whether or not to accept that offer.
- (ii) Subject to clause 7.5, if PKF Capital accepts that offer the Client will receive or have access to (by way of the relevant Electronic Trading Platform) a Confirmation accordingly.
- (iii) If PKF Capital does not accept that offer, the Client will receive a message from PKF Capital by way of the relevant Trading Platform.

(c) **Verification, etc., of Confirmation**

- (i) The Client is to review and verify the accuracy, correctness and completeness of each Confirmation immediately that it is made available.
- (ii) The Client acknowledges and agrees that, if the Client believes that any Confirmation is not accurate, complete or correct, the Client must notify PKF Capital in writing within one hour of the time of receipt of the relevant Confirmation.

- (iii) The Client acknowledges and agrees that if, after communicating to PKF Capital an offer (in accordance with clause 7.3(a)), the Client does not receive or have access to a Confirmation or a message from PKF Capital as specified by clause 7.3(b)(iii), then it is the Client's responsibility to notify PKF Capital within one hour of the Client communicating such offer, whether by way of telephone, Electronic Trading Platform or otherwise.
- (iv) PKF Capital accepts no responsibility for mis-trades, errors in Confirmations or non-Confirmations if not notified within the period specified in accordance with sub-paragraphs (ii) and (iii).
- (v) The Client acknowledges and agrees that, if the Client fails so to notify PKF Capital within the specified period, the Confirmation is deemed to be conclusive and binding on the Client, except in the case of manifest error or fraud.
- (vi) The Client acknowledges and agrees that, notwithstanding any delay in the production of a Confirmation and absent any manifest error, such Confirmation is evidence of a Transaction between the parties.

(d) **Confirmation prevails**

If there is any inconsistency between a Confirmation and a provision of this Agreement, the Confirmation prevails.

7.4 Transaction outside trading limits

(a) **When offer to deal may not be accepted**

If the Client makes an offer to PKF Capital to deal in relation to a Transaction:

- (i) in respect of which the Client will have, if the Transaction were to be entered into, no Free Margin (where required in relation to that type of Transaction); or
- (ii) outside any applicable Minimum Trading Size or Maximum Trading Size; or
- (iii) where the Client does not have sufficient funds in the relevant Account to satisfy a Margin Requirement (where required in relation to that type of Transaction); or
- (iv) in other circumstance specified from time to time by PKF Capital,

the Client acknowledges and agrees that its offer will or may be rejected by PKF Capital.

(b) **“Greying out”**

Where an Electronic Trading Platform is used, this rejection will or may be indicated by an offer being “greyed out”.

(c) **Automatic revocation of offer**

If the Client makes an offer that is not accepted by PKF Capital, that offer is deemed automatically to be revoked at the time of “greying out” or when the Client receives a rejection message from PKF Capital by way of the relevant Trading Platform or otherwise.

(d) **Setting of trading Limits**

PKF Capital is entitled to;

- (i) change any Minimum Trading Size or Maximum Trading Size;
- (ii) waive any Minimum Trading Size or Maximum Trading Size;
- (iii) in the case of Margin CFD Transactions based on equities quoted on a UK exchange, restrict trades to Normal Market Size (NMS) as defined by the London Stock Exchange Plc rules from time to time.

(e) **Client acknowledgement**

The Client acknowledges that it is the Client's responsibility to:

- (i) ensure the Client knows the current Minimum Trading Size and Maximum Trading Size applicable to any trade the Client wishes to place; and
- (ii) ensure the Client understands how to calculate the Minimum Trading Size and Maximum Trading Size.

7.5 Errors in quotes

(a) **Notice of error**

- (i) If the Client wishes to assert that a Transaction has been entered into (whether or not confirmed by PKF Capital) at a price or rate which was, or ought reasonably to have been, known to either party to be materially incorrect at the time of the Transaction, the Client is to give notice to PKF Capital within one hour after the Transaction or purported Transaction was entered into.
- (ii) If PKF Capital wishes to assert that a Transaction has been entered into (whether or not confirmed by PKF Capital) at a price or rate which was, or ought reasonably to have been, known to either party to be materially incorrect at the time of the Transaction, PKF Capital is to give notice to the Client within three Business Days after the Transaction or purported Transaction was entered into.

(b) **Determination of materially incorrect**

If notice is given under paragraph (a), PKF Capital, acting reasonably, is to determine whether the price or rate quoted was materially incorrect.

(c) **Parties not bound where price or rate known to be materially incorrect**

If PKF Capital determines that the price or rate quoted was materially incorrect then, without prejudice to any rights PKF Capital may have under Applicable Law or at law PKF Capital will notify the Client of that determination and:

- (i) neither party is bound by any Transaction entered into (whether or not confirmed by PKF Capital) at a price or rate which was, or ought reasonably to have been, known to either party to be materially incorrect at the time of the Transaction;
- (ii) that Transaction is deemed to have been void from the outset;

- (iii) PKF Capital will endeavour to execute a Transaction (in same quantity and currencies) between PKF Capital and Client on or close to the prevailing market prices but subject to the PKF Capital Spread and any per trade or per lot commission and/or fees charged by PKF Capital;
- (iv) this may or may not adversely affect the Client's realized and unrealized gains and losses;
- (v) PKF Capital is not liable for any resulting errors in the balance(s) published for the Client's Account and reserves the right to make necessary corrections or adjustments to the Account involved; and
- (vi) any dispute arising from such quoting errors will be resolved on the basis of the fair market value, as determined by PKF Capital acting in a commercially reasonable manner, of the relevant Currency at the time such an error occurred. In cases where the prevailing market rates plus the PKF Capital Spread represent prices different from the rates PKF Capital has quoted, PKF Capital will make a commercially reasonable effort to contact the Client (including verbal notification to the extent possible) and will endeavour to execute trades on or close to the prevailing market prices, subject to the PKF Capital Spread.

7.6 Transaction outside PKF Capital Spread

(a) PKF Capital not bound in certain circumstances

If a Transaction is entered into at a price or rate which varies from the PKF Capital Spread at the time of entry into of the Transaction as a result of the Client affecting, modifying or using an Electronic Trading Platform in such a way that it:

- (i) fails to show changes in the PKF Capital Spread that have occurred since the Client first made the relevant offer to deal; or
- (ii) in any other way results in a Transaction being based on an abnormal price in relation to the then-current market or trading conditions,

then PKF Capital:

- (iii) is not bound by that Transaction; and
- (iv) may avoid that Transaction by giving notice of avoidance under paragraph (b).

(b) Notice of avoidance of Transaction

If PKF Capital wishes to avoid that Transaction, PKF Capital must give notice to the Client within a reasonable period not exceeding 10 Business Days after the relevant offer was made.

8. Interest and third party accounts

8.1 Deposit Interest

(a) Limited right to interest

No interest is payable by PKF Capital on an Account except as provided in this sub-clause.

(b) **Deposit Interest**

Deposit Interest means interest payable by PKF Capital on Client Moneys.

(c) **Payment of Deposit Interest**

PKF Capital may pay Deposit Interest on either of the following bases:

- (i) if, at Close of Business on any day, the Interest Earning Amount exceeds an applicable Margin Interest Threshold, PKF Capital will pay simple interest to the Client on the Interest Earning Amount for that day at the interest rate then applicable to that Margin Interest Threshold; or
- (ii) by such other method as may be specified in the schedule and/or addendum.

(d) **Interest rates and Margin Interest Thresholds**

The applicable interest rates and Margin Interest Thresholds in respect of which PKF Capital will pay Deposit Interest are set out in the then-current Rates Schedule.

(e) **When Deposit Interest paid**

PKF Capital will pay Deposit Interest in arrears on such days as may be specified in the schedule and/or addendum.

(f) **Withholding tax**

The Client authorises PKF Capital:

- (i) to withhold or deduct from any such payment of Deposit Interest to the Client any resident or non-resident withholding tax that is required to be withheld or deducted by Applicable Law; and
- (ii) if necessary for this purpose, to withdraw any such withholding tax from the PKF Capital bank account where Client Moneys are held (including, where relevant, a Segregated Funds Account).

(g) **Retention by PKF Capital**

Except to the extent that interest is payable to the Client pursuant to clause 8.1(c) PKF Capital will retain for its own account any interest earned on money held for the Client in the Segregated Funds Account and will not be required to pay interest on any other money held for the Client.

8.2 **Interest payable by Client**

(a) **Interest on debit balance in Account**

If an Account has a debit balance, the Client is to pay interest daily to PKF Capital on the full amount of that balance at the relevant Cost of Funds plus a margin that is set out in the then-current Disclosure Document or otherwise published or provided by PKF Capital.

(b) **Interest charged where Client fails to meet payment obligations**

If the Client fails to meet any payment obligations, the Client is to pay interest daily to PKF Capital on the amount that was due but not paid at the relevant Cost of Funds plus a margin that is set out in the then-current Disclosure Document or otherwise published or provided by PKF Capital.

8.3 **Third party accounts**

(a) **In Client's name**

The Client is to ensure that any cheque drawn by it, or transfer of moneys by it, is drawn on or made from an account in its name and not on or from that of another party, unless PKF Capital has previously agreed otherwise in writing.

(b) **Return of third party cheque or transfer**

The Client acknowledges and agrees that PKF Capital:

- (i) may, in its absolute discretion, without being obliged to do so, return any cheque drawn on, or transfer of moneys from, a third party account, unless PKF Capital has previously agreed otherwise in writing; and
- (ii) does not accept or bear any liability or responsibility for any Loss, including Consequential Loss, incurred or sustained by the Client as a result of or arising out of PKF Capital returning any cheque drawn on, or transfer of moneys from, a third party account, including any Loss, including Consequential Loss, incurred or sustained by the Client because it is subsequently in default of its obligations under this Agreement or any Transaction.

9. **Client Account**

9.1 **Accounts to be kept separate**

Except as otherwise expressly provided in this Agreement, where the Client opens more than one Account:

- (a) PKF Capital will treat each Account as separate; and
- (b) accordingly, any credit balance (including Free Margin) on one Account does not, except where PKF Capital exercises its rights under clause 20, discharge any liability of the Client in respect of another Account.

9.2 **Combination of Accounts**

Where the Client so requests in writing:

(a) **PKF Capital may treat Accounts as single Account**

PKF Capital may in its discretion agree to treat each of the Client's Accounts as one Account;

(b) **References to Account**

if it does so, all references to the Account in this Agreement are to the Client's Accounts as so aggregated; and

(c) **When request takes effect**

that request, if agreed to by PKF Capital, takes effect on the date notified to the Client by PKF Capital, which is to be no later than five Business Days from the date of actual receipt of the request by PKF Capital.

10. **Segregated Funds Account**

10.1 **Manner in which Client Money is held**

Subject to this Agreement and Applicable Law, PKF Capital will hold Client Money in respect of Transactions in a Segregated Funds Account:

- (a) in Seychelles with one or more Registered Banks; or
- (b) outside Seychelles with one or more overseas banks.

10.2 **Client Money is pooled in Segregated Funds Account**

The Client acknowledges and agrees that, where Client Money is described as being held in a "segregated funds account":

- (a) that account is maintained by PKF Capital in its own name but is held in trust for the benefit of the clients
- (b) Client Money of the Client is pooled with client money of other clients of PKF Capital;
- (c) Client Money of the Client may, in the insolvency of PKF Capital and subject to Applicable Law, be held in favour of all clients of PKF Capital with funds in the relevant Segregated Funds Account; and
- (d) there are risks involved in the manner in which Client Money is so held.

10.3 **Permitted withdrawals from Segregated Funds Account**

The Client acknowledges and agrees that PKF Capital may subject to Applicable Law withdraw moneys from a Segregated Funds Account for the purpose of:

(a) **Entering into, margining and settling Transactions**

making a payment for, or in connection with, the entering into, margining or settling of Transactions by PKF Capital (including any such payment referred to in this Agreement); or

(b) **Payment to Client**

making a payment to the Client; or

(c) **Payment to other person as permitted under this Agreement**

making a payment:

- (i) to a Hedging Counterparty or to the Buffer Account; or
- (ii) in respect of withholding tax; or
- (iii) to another person designated by PKF Capital in connection with a Transaction entered into under this Agreement and agreed to by the Client,

such payments being, for the purposes of this clause, payments made to persons specified by the Client in accordance with the specific written authority of the Client;

(d) **Fees, commission, charges, etc.**

meeting the amount of any fees, commissions or other charges (including, for example, any Rollover Enhancement Income) properly payable under this Agreement by the Client to PKF Capital in respect of any Transaction; or

(e) **Reimbursement of PKF Capital**

making a payment to PKF Capital in reimbursement for any payment made by PKF Capital to or on behalf of the Client for which PKF Capital is entitled to be reimbursed by the Client under this Agreement; or

(f) **Withdrawing money that is not Client Money**

where funds are deposited into the Segregated Funds Account that include Client Money and other money, withdrawing that portion of the funds that is not Client Money; or

(g) **Withdrawing PKF Capital money**

where PKF Capital has deposited its own money into the Segregated Funds Account to cover a shortfall in the Segregated Funds Account, withdrawing that money once it is no longer required to cover the shortfall.

10.4 **Incorrect crediting of Segregated Funds Account**

PKF Capital is entitled at any time to deduct, without notice or recourse to the Client, any moneys deposited in, or credited to, the Segregated Funds Account:

(a) **Moneys credited in error**

in error by, or upon behalf of, PKF Capital; or

(b) **Non-Client Moneys**

that are not Client Money.

11. **Representations and warranties**

11.1 **General**

Each of PKF Capital and the Client represents and warrants to the other that:

(a) **Obligations enforceable**

its obligations under each of this Agreement and each Transaction are legal, valid, binding and enforceable in accordance with its terms, subject to equitable principles and insolvency laws of general application;

(b) **Litigation**

no litigation, arbitration or administrative proceeding is current, pending or, to its knowledge, threatened that has or could have a material adverse effect on it or on PKF Capital's ability to exercise or enforce its rights under this Agreement or any Transaction;

(c) **Solvency**

it is solvent and able to pay its indebtedness as it falls due;

(d) **No Event of Default**

no Event of Default has occurred and is continuing;

(e) **No conflict with law**

the execution and delivery of, and observance under, this Agreement and each Transaction, and any instrument in connection with this Agreement to which it is a party, do not violate or conflict with any Applicable Laws, any provision of its constituent documents, any order or judgment of any court or Public Authority applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;

(f) **Contracting as principal**

it will be liable as principal for its obligations under this Agreement and under each Transaction and it is not acting as agent for any other party;

(g) **Withholding tax**

(other than any deduction or withholding required by law in relation to interest payable under this Agreement) it is not required by any Applicable Law, as modified by the practice of any relevant government revenue authority, to make any deduction or withholding for or on account of any tax from any payment to be made by it to the other party under this Agreement; and

(h) **Consents**

all consents required to be obtained by it in connection with the execution, delivery and performance of this Agreement, including in relation to its access to and use of a Trading Platform, have been obtained and all Transactions are valid and subsisting.

11.2 **Client-specific representations and warranties**

The Client represents and warrants that:

(a) **Information**

(i) all information provided by the Client to PKF Capital in connection with this Agreement and each Transaction was true in all material respects as at the

date when that information was provided and remains so as at the date of this Agreement; and

- (ii) there are no facts or circumstances that have not been disclosed to PKF Capital that would make that information untrue or misleading in any material respect;

(b) Use of Trading Platform

the Client's access to and use of each Trading Platform complies with:

- (i) all Applicable Law (including all relevant export laws and regulations to ensure that no software or any portion of it is exported, directly or indirectly, in violation of those laws);
- (ii) all applicable policies and practices of securities and futures exchanges and associations, alternative trading facilities, and regulatory or self-regulatory organisations; and
- (iii) the policies and procedures (whether stated orally or in writing) applicable to each Trading Platform and this Agreement;

and the Client has all consents, rights, authority and has taken all actions necessary, to use a Trading Platform and enter any Transactions relating thereto;

(c) No default

the Client is not in default under:

- (i) any agreement relating to indebtedness; or
- (ii) any guarantee; or
- (iii) any other agreement,

to an extent or in a manner that has or would have a material adverse effect on the Client;

(d) Non-reliance

- (i) the Client is acting for the Client's own account, and it has made its own independent decision to enter into this Agreement and each Transaction, and whether any Transaction is appropriate or proper, based upon the Client's own judgment and upon advice from such advisers as the Client has deemed necessary;
- (ii) the Client is not relying on any communication (written or oral) of PKF Capital as investment advice or as a recommendation to enter into this Agreement or any Transaction, it being understood that information and explanations related to the terms and conditions of a Transaction are not considered investment advice or a recommendation to enter into that Transaction; and
- (iii) the Client has not received from PKF Capital any assurance or guarantee as to the expected results of any Transaction;

(e) Evaluation and understanding

- (i) the Client is capable of assessing the merits of and understanding (on the Client's own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of each Transaction; and
 - (ii) the Client is capable of assuming, and assumes, the financial and other risks of each Transaction;
- (f) **Status of parties**
- PKF Capital does not act as a fiduciary for or an adviser to the Client in respect of any Transaction; and
- (g) **No security interests**
- except as disclosed to, and accepted in writing by, PKF Capital, no security interest exists over or affects, nor is there any agreement to give or permit to exist any security interest over or affecting, any Account or moneys payable or paid to PKF Capital.

11.3 **Company-specific representations and warranties**

If the Client is a company, the Client represents and warrants that:

- (a) **Existence, power and authority**
 - (i) it is incorporated, has full power and authority to enter into and comply with its obligations under this Agreement and each Transaction; and
 - (ii) has taken all corporate and other action and obtained all consents needed to enable it to do so; and
- (b) **Constitution**

the execution, delivery and performance of this Agreement and each Transaction does not violate its constitution.

11.4 **Trust-specific representations and warranties**

If the Client is trustee of a trust, the Client represents and warrants that:

- (a) **Trustee**
 - (i) the Client is entering into this Agreement and each Transaction as duly appointed trustee of the trust; and
 - (ii) the Client is presently the sole trustee or, if not, that all trustees have entered into this Agreement;
- (b) **Trust deed**
 - (i) the trust was validly created and is in existence at the date of the Client's submission of the Application Form;

- (ii) the execution, delivery and performance of this Agreement and each Transaction is permitted by the terms of the trust deed and does not violate the trust deed or the trust; and
 - (iii) the trust is solely constituted by the trust deed;
- (c) **Power and authority**
- (i) the Client has full power and authority to enter into and comply with its obligations under this Agreement and each Transaction; and
 - (ii) the Client has taken all action and obtained all consents necessary to enable it to do so; and
 - (iii) the Client is not in breach of the terms of the trust, whether related to this Agreement or not, and has the right to be indemnified from the assets of the trust for all liabilities incurred under this Agreement and each Transaction;
- (d) **Acknowledgment**

even though the Client is entering into this Agreement and each Transaction as trustee of a trust, the Client is personally liable to meet any obligations under this Agreement and each Transaction.

11.5 Representations continuing

Each of the representations and warranties in this clause is deemed to be repeated continuously so long as this Agreement remains in effect by reference to the facts and circumstances then existing.

12. Trading hours

12.1 Normal Trading Hours

Subject to clauses 12.2 and 12.3, PKF Capital intends to, but is under no obligation to, quote prices and rates and accept instructions (whether oral, written or electronic) in relation to any Transaction during Normal Trading Hours.

12.2 Public holidays

PKF Capital is under no obligation to quote prices or rates, or to accept instructions (whether oral, written or electronic) in relation to any Transaction on a public holiday in any jurisdiction which, in PKF Capital's reasonable opinion, affects any relevant currency, security, commodity, derivatives, future, market or exchange.

12.3 Limited trading

PKF Capital is under no obligation to quote prices or rates or accept instructions (whether oral, written or electronic) in relation to any Transaction during any time when any relevant foreign exchange, securities, commodities, derivatives or futures market or exchange is closed for business.

13. Legal and regulatory requirements

13.1 Compliance with Applicable Law by PKF Capital

(a) **Action to comply with Applicable Law**

Notwithstanding any other provision of this Agreement, PKF Capital may take any action it considers necessary or desirable in its absolute discretion to ensure compliance with all Applicable Law.

(b) **Undertaking to comply**

PKF Capital undertakes to comply with all Applicable Law including the terms and conditions of any authorisation to carry on the business of dealing in securities under the Securities Act and under the terms of its Seychelles Securities Dealer licence.

13.2 Compliance with Applicable Law by Client

The Client undertakes to comply with all Applicable Law.

14. Payments

14.1 Payments generally

(a) **Obligation to pay**

Each party is to make each payment specified in this Agreement and in each Confirmation to be made by it, subject to the provisions of this Agreement.

(b) **Manner of payment**

Subject to the provisions of this Agreement, each payment under this Agreement or any Transaction is to be made on the due date for value on that date in the currency of the relevant amount, in freely transferable and immediately available funds.

(c) **Free and clear**

Unless otherwise agreed to by PKF Capital, each payment under this Agreement or any Transaction is to be paid free and clear of, and without withholding or deduction for or on account of, any Taxes, unless the withholding or deduction is required by law.

14.2 Gross-up

If:

(a) **Client required to withhold, etc.**

the Client is required by law to make any deduction or withholding for or on account of Tax from any amount paid or payable by it under this Agreement; or

(b) **PKF Capital required to make payment**

PKF Capital is required by law to make any payment on account of Tax (other than Tax on its overall net income) on or in relation to any amount received or receivable by it under this Agreement,

the amount in respect of which that deduction, withholding or payment is required to be made is to be increased so that PKF Capital actually receives and retains (free from any liability in respect of any deduction, withholding or payment) a net amount equal to the amount that it would have received and retained had no deduction, withholding or payment been required to be made.

14.3 **Payment netting**

PKF Capital may, in its absolute discretion, determine and advise the Client that:

(a) **Same amounts in same currency**

if, on any date, the same amounts are payable under this Agreement in respect of the same type of Transaction by each party to the other in the same currency, then, on that date, each party's obligation to pay that amount is automatically satisfied and discharged; and

(b) **Different amounts in same currency**

if, on any date, the aggregate amount payable by one party exceeds the aggregate amount that is payable by the other party in the same currency, then, on that date, the amounts payable by each party to the other party are to be paid or satisfied by payment of the net amount of those obligations by the party having a net debit to the party having a net credit.

14.4 **Authority to apply amounts due from Client**

Unless specified otherwise in this Agreement, all amounts due to PKF Capital under this Agreement or any Transaction may, at the option of PKF Capital, be deducted from any funds, including Client Moneys, held by PKF Capital for the Client, as well as each Account.

14.5 **Credit balance in Account**

(a) **Withdrawal of Free Margin**

- (i) The Client may request PKF Capital to withdraw an amount of Free Margin to make a payment to the Client.
- (ii) In addition, PKF Capital may withdraw an amount of Free Margin to make a payment to:
 - (A) a Hedging Counterparty or to the Buffer Account; or
 - (B) in respect of withholding tax; or
 - (C) another person designated by PKF Capital in connection with a Transaction entered into under this Agreement and agreed to by the Client.
- (iii) The Client acknowledges and agrees that payments made under subparagraph (ii) are to persons specified by the Client in accordance with the specific written authority of the Client.

(b) **Conditions to be satisfied**

However, PKF Capital may withhold any such withdrawal under paragraph (a)(i) or (ii) if:

- (i) PKF Capital, acting reasonably, considers that funds may be required from the Client to meet any current or future margin in respect of an outstanding Transaction;
- (ii) the Client has any contingent liability to PKF Capital or to any of its Associates in respect of any other account of the Client with any of them;
- (iii) PKF Capital, acting reasonably, considers that there is an unresolved dispute between PKF Capital and the Client arising out of or in connection with this Agreement or any Transaction; or
- (iv) PKF Capital considers it necessary or desirable to do so to enable PKF Capital to comply with Applicable Law.

14.6 **Title and interest**

(a) **Payments free of security interest**

Each party agrees that all right, title and interest in, to, under or derived from any payment which it makes to the other party in respect of this Agreement or any Transaction vests in the recipient clear of any security interest or any other adverse interest of the payer or any third party.

(b) **No security interest**

Nothing in this Agreement is intended to create in favour of either party any security interest in any moneys or other property transferred by one party to the other party under this Agreement or any Transaction.

15. **Fees, commission and other charges**

15.1 **Obligation to pay**

The Client is to pay to PKF Capital each fee, commission and charge in respect of this Agreement or a Transaction specified at the relevant time in either the Disclosure Document or the then-current Rates Schedule or as otherwise notified by PKF Capital to the Client or its clients generally.

15.2 **Authority to deduct**

The Client authorises PKF Capital, in accordance with its usual practice, to withdraw from the PKF Capital bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account), and to debit the relevant Account accordingly, at any time any such fee, commission or charge when it becomes payable.

16. Taxes

16.1 Obligation to pay and authority to deduct

(a) **Goods Services Tax, etc.**

The Client is to pay all applicable Goods Services Tax and other Taxes and all other fees reasonably incurred by PKF Capital in connection with this Agreement or any Transaction.

(b) **Stamp duty, etc.**

Any imposition of stamp duty or other Tax, which may from time to time be levied in respect of this Agreement or any Transaction, is for the account of, and payable by, the Client.

(c) **Authority to deduct**

The Client authorises PKF Capital, in accordance with its usual practice, to withdraw from the PKF Capital bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account), and to debit the relevant Account accordingly, any such Tax, other fee, stamp duty or other Tax.

16.2 Entitlement to withhold

PKF Capital is entitled to deduct or withhold any Tax, as required by law to be deducted or withheld, from any payment made under this Agreement, or any payment made under any Transaction or any amount credited to the PKF Capital bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account) or any Account.

17. Force Majeure

17.1 No default

PKF Capital is not in default or breach of this Agreement or any Transaction to the extent that Force Majeure arises.

17.2 Notice of Force Majeure

(a) **Notice of Force Majeure**

Subject to paragraph (b), if Force Majeure arises, PKF Capital is to use its reasonable endeavours to give notice as soon as reasonably practicable to the Client accordingly.

(b) **PKF Capital not liable for failure to give notice**

PKF Capital is not liable to the Client for any failure or delay in giving this notice.

17.3 Effect of Force Majeure

If Force Majeure arises, and regardless of whether or not PKF Capital has given the notice referred to in clause 17.2(a), PKF Capital may take whatever steps in relation to this Agreement or any Transaction that, in its opinion, are necessary or desirable, including:

(a) **Margin Percentage**

changing the Margin Percentage; or

(b) **Trading hours**

changing or restricting any hours within which the Client may enter into Transactions;
or

(c) **Amendments**

amending this Agreement or any Transaction, to the extent only that it is not possible, practicable or legal for PKF Capital to perform or comply with its obligations to the Client under this Agreement or any Transaction; or

(d) **Termination and close-out**

terminating, closing out or not rolling over any Transaction or cancelling any instructions or orders under this Agreement or any Transaction; or

(e) **Other action**

taking or omitting to take any other action that PKF Capital, acting reasonably, deems to be appropriate in the circumstances having regard to its business and its clients generally.

18. Events of Default

18.1 Events of Default

An **Event of Default** is any of the following events or circumstances with respect to PKF Capital or the Client, as appropriate (the **Defaulting Party**, the other party being the **Non-defaulting Party**):

(a) **Misrepresentation**

any representation or warranty made by PKF Capital or the Client under or in connection with this Agreement or a Transaction is later found to be incorrect or misleading in a material respect; or

(b) **Failure of Client to meet Margin Requirement**

the Client fails to maintain margin at least equal to the then-current Margin Requirement; or

(c) **Failure of Client to meet any other Credit Requirement**

the Client fails to satisfy any Credit Requirement; or

(d) **Losses exceed applicable Credit Requirement**

the unrealised losses of outstanding Margin FX Transactions of the Client exceed any applicable Margin Requirement at any time; or

(e) **Breach of other obligations**

the Client fails to perform or comply with any of its other obligations under this Agreement or any Transaction; or

(f) **Breach of Applicable Law**

the Client is in breach of any Applicable Law; or

(g) **Conduct of Client**

the conduct of the Client is such that, in the opinion of PKF Capital, it would cause a reasonably prudent financial person dealing in transactions (such as Margin FX Transactions or other Transactions as may be provided for under this Agreement) to be of the view that the Client could be unable to perform and comply with any of the Client's obligations under this Agreement or any Transaction, including strict compliance with any time limit; or

(h) **Death or mental incapacity of Client**

where the Client is a natural person:

- (i) the Client dies or becomes of unsound mind; or
- (ii) the Client's person or estate is liable to be dealt with in any way under any law relating to mental health; or

(i) **Inability to contact Client**

in the absence of the Client making alternative arrangements, the Client is not contactable by PKF Capital for any period of 24 hours in order for PKF Capital to obtain instructions relating to any Transaction, any order or any obligations of the Client under this Agreement or any Transaction; or

(j) **Bankruptcy of Client**

the Client becomes bankrupt or enters into a composition or arrangement for the benefit of creditors or becomes insolvent under administration as defined in the Companies Act, Bankruptcy and Insolvency Act 1991 or similar relevant laws of the jurisdiction of incorporation of the Client; or

(k) **Insolvency**

PKF Capital or the Client, where the Client is a company:

- (i) is put into liquidation voluntarily or otherwise (except for the purpose of reconstruction approved in advance in writing by PKF Capital); or
- (ii) enters into any compromise or arrangement with or assignment for the benefit of any of its creditors or members; or
- (iii) any liquidator, administrator, receiver, manager, receiver and manager, managing controller or official or statutory manager is appointed; or

(iv) is or becomes insolvent in line with the Companies Act, Bankruptcy and Insolvency Act 1991 or similar relevant laws of the jurisdiction of incorporation of the Client; or

(l) **Moratorium, etc.**

PKF Capital or the Client imposes a moratorium on payments to creditors or ceases or threatens to cease carrying on business; or

(m) **Withdrawal of security by Client**

any guarantee of or security given in respect of the Client's obligations under this Agreement is, without the consent of PKF Capital, withdrawn or becomes defective or insufficient.

18.2 **Designation of Termination Date on occurrence of Event of Default**

(a) **Termination by Termination Notice**

If, at any time, an Event of Default has occurred in respect of the Defaulting Party, the Non-defaulting Party may give a Termination Notice to the Defaulting Party designating a Termination Date for the termination of all (or some only) Transactions.

(b) **Immediate termination**

If an Event of Default occurs pursuant to clauses 18.1 (b), (c) or (d), PKF Capital may immediately terminate all (or some only) Transactions without giving a Termination Notice to the Defaulting Party.

19. **Other terminations**

19.1 **PKF Capital's right to break**

(a) **Notice of Break Date**

If PKF Capital is at any time unable to obtain acceptable wholesale prices or rates under any of its Hedging Arrangements, PKF Capital may terminate any or all outstanding Transactions before their Value Date by giving a Termination Notice to the Client not less than one Business Day before the proposed termination date (the **Break Date**).

(b) **Contents of Termination Notice**

The notice must specify:

- (i) each Transaction to be terminated; and
- (ii) the Break Date.

(c) **Consequences of Termination Notice**

If a Termination Notice is given under paragraph (a):

- (i) the Termination Notice is to specify the Termination Date of each Transaction; and

- (ii) the amount payable in respect of that Termination Date and each Terminated Transaction is to be determined and paid in accordance with clause 20.3.

19.2 Abnormal Market Conditions

If, in the opinion of PKF Capital, Abnormal Market Conditions exist, it may (but is not obliged to):

- (a) **Termination Notice**

give a Termination Notice to the Client designating a Termination Date for the termination of all (or some only) Transactions; or

- (b) **Immediate Termination**

terminate those Transactions immediately in accordance with clause 20.2.

19.3 Dealing in futures contracts

If:

- (a) **Cease or limit dealing**

PKF Capital is requested or required by any Public Authority to cease or limit carrying on business of dealing in one or more types of Transactions; or

- (b) **Rescission, etc., of consent**

any consent, licence or authority that PKF Capital has obtained from a Public Authority is rescinded, modified or varied in any material respect,

then PKF Capital may give a Termination Notice to the Client designating a Termination Date for the termination of all (or some only) Transactions which is not later than the second Business Day after the date of that Termination Notice.

19.4 Illegality

If at any time it is unlawful or contrary to any present or future requirement (whether or not having the force of law) of any Public Authority or of Applicable Law for:

- (a) **Perform obligations**

PKF Capital to perform or comply with all or any of its obligations under this Agreement or any Transaction; or

- (b) **Exercise of rights**

PKF Capital to exercise all or any of its rights under this Agreement or any Transaction; or

- (c) **Compliance with Hedging Arrangements**

- (i) PKF Capital to comply with any of its obligations under any Hedging Arrangements; or

- (ii) any third party that is party to any such Hedging Arrangements to comply with any of its obligations under those Hedging Arrangements,

then PKF Capital:

(d) **Notice**

must promptly give notice accordingly to the Client; and

(e) **Termination Notice**

may give a Termination Notice to the Client designating a Termination Date for the termination of all (or some only) Transactions which is not later than the second Business Day after the date of receipt of that Termination Notice.

19.5 **Ceasing to deal in type of Transactions**

(a) **Withdrawal of Transactions**

PKF Capital may at any time send a Termination Notice to the Client notifying the Client that PKF Capital will cease to deal in any type of Transaction.

(b) **Contents of notice**

This Termination Notice is to specify a Termination Date on which PKF Capital will cease to deal in the type of Transaction, which Termination Date is to be at least one Business Day after the notice is sent.

(c) **Obligation to close-out**

The Client agrees to close out all outstanding Transactions in relation to the relevant type of Transaction before the Termination Date.

(d) **Close out by PKF Capital**

Close out by PKF Capital closes out any remaining outstanding Transactions in the relevant type of Transaction on the Termination Date with effect from Close of Business on that day.

20. **Close-out**

20.1 **Termination**

If:

(a) **Credit Requirement-related Events of Default**

an Event of Default occurs pursuant to clauses 18.1 (b), (c) or (d); or

(b) **Event of Default**

any other Event of Default occurs and the Non-defaulting Party gives a Termination Notice pursuant to clause 18; or

(c) **Other terminations**

PKF Capital gives a Termination Notice pursuant to clause 19; or

(d) **Abnormal Market Conditions**

Abnormal Market Conditions exist; or

(e) **Schedule**

the schedule provides accordingly,

then:

(f) **Termination of Terminated Transactions**

as from the Termination Date, the Terminated Transactions are terminated;

(g) **Calculation of netted balance**

the amount payable in respect of that Termination Date and those Terminated Transactions is to be determined by PKF Capital and paid in accordance with this clause; and

(h) **Refuse to enter into further Transactions**

PKF Capital may refuse to enter into any further Transactions.

20.2 **Immediate termination**

Notwithstanding any other provision in this Agreement, the parties agree that where:

(a) **Credit Requirement-related Event of Default**

an Event of Default occurs pursuant to clauses 18.1(b), (c) or (d); or

(b) **Abnormal Market Conditions**

Abnormal Market Conditions exist,

some or all Transactions in existence between them will (in the case of paragraph (a)) and may (in the case of paragraph (b)) immediately become Terminated Transactions and that:

(c) **Termination Date**

the Termination Date is the date of the occurrence of such Event of Default or that such Abnormal Market Conditions first occur;

(d) **No obligation to provide Termination Notice**

the nature of immediate termination is such that PKF Capital will not be able to give a Termination Notice to the Client prior to the termination taking effect; and

(e) **Subsequent notice**

PKF Capital may, but is not obliged to, give a Termination Notice to the Client after such Transactions have been terminated, whether by way of electronic mail, text messaging, a message displayed on the Trading Platform or such other notice procedures as are set out in this Agreement.

20.3 **Calculation of netted balance on termination**

The netted balance payable in respect of a Termination Date and the relevant Terminated Transactions is to be determined by PKF Capital as follows:

(a) **PKF Capital calculates netted balance**

PKF Capital is to take an account of all money due between the parties in respect of the Terminated Transactions by calculating an amount equal to:

- (i) the sum of:
 - (A) the Settlement Amount (as determined by PKF Capital); and
 - (B) the Termination Currency Equivalent of any amounts that are due and payable but unpaid from the Client to PKF Capital; less
- (ii) the Termination Currency Equivalent of any amounts that are due and payable but unpaid from PKF Capital to the Client; and

(b) **Two-way payments**

all obligations in respect of that netted balance are to be satisfied by payment of the net amount due from or on behalf of the party having a net debit to or on behalf of the party having a net credit.

20.4 **Payment on termination**

On or as soon as reasonably practicable after the Termination Date, PKF Capital is to give the Client notice specifying any amount payable in accordance with clause 20.3.

20.5 **When netted balance due**

Any netted balance calculated in accordance with to clause 20.3 is payable in the case of:

(a) **Event of Default**

a Termination Date which occurs as a result of an Event of Default, on the day on which notice given in accordance with clause 20.4 is effective; or

(b) **Other termination**

any other Termination Date, on the day which is two Business Days after the day on which notice given in accordance with clause 20.4 is effective.

20.6 **Pre-estimate**

(a) **Not a penalty**

The parties agree that any Settlement Amount determined by reference to the Close Out Formula is a reasonable pre-estimate of loss and not a penalty.

(b) **Loss of bargain, etc.**

The parties agree that:

- (i) any Settlement Amount includes full and final payment in respect of the loss of bargain and the loss of protection against future risks; and
- (ii) except as otherwise provided in this Agreement, neither party is entitled to recover any additional damages as a consequence of those losses.

20.7 **Set-off**

Notwithstanding any other provision of this agreement and without limiting any right of set-off, off-set, combination of accounts, right of retention or withholding or similar right that either party may have at law or in equity, the Client agrees that PKF Capital may debit and set off at current value any moneys due and payable by the Client to PKF Capital under this Agreement or any Transaction or otherwise against any currency deposits or other moneys held by PKF Capital or payable by the Client.

20.8 **Professional costs**

(a) **Liability for costs**

The Client is liable to PKF Capital for any costs and expenses incurred by PKF Capital, acting reasonably, in connection with or arising out of the exercise by PKF Capital of its rights under this clause, together with interest on those costs and expenses at the Cost of Funds.

(b) **Authority to withdraw**

The Client authorises PKF Capital to withdraw the amount of any such costs, expenses or interest payable under paragraph (a) from the PKF Capital bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account).

21. **Indemnity**

21.1 **Indemnity**

The Client indemnifies each of PKF Capital, each of its Representatives and each of its Associates (each, an **indemnified party**) against, and agrees to hold each of them harmless from, any and all Loss, including Consequential Loss, sustained or incurred by an indemnified party arising out of or in connection with:

(a) **Breach of representation**

any breach of representation or warranty made by the Client and/or its Authorised Persons under or in connection with this Agreement or any Transaction; or

(b) **Failure to comply**

any failure by the Client to comply with or perform any of its obligations under or in connection with this Agreement or a Transaction; or

(c) **Use of Trading Platform**

- (i) any access or use or attempted access or use to or of a Trading Platform by the Client, its Authorised Persons and any person accessing or using a Trading Platform through any Security Credentials, whether or not such access or use is authorised by the Client; or
- (ii) any third party claim related to the access or use or attempted access or use to or of a Trading Platform by the Client or its Authorised Persons, any component of a Trading Platform or any data provided through a Trading Platform or relating to decisions or advice arising out of such access or use; or
- (iii) any claim by any Licensor arising or resulting from the Client's and its Authorised Persons' access or use or attempted access or use to or of an Electronic Trading Platform; or
- (iv) any insufficiency whatsoever with respect to the environment from which the Client accesses or uses a Trading Platform and/or with respect to the Client's security measures to prevent unauthorised access to or use of a Trading Platform and any security breach in relation to a Trading Platform (including any access to or use of any of PKF Capital's other systems not covered by this Agreement and any software viruses or other activities that comprise the security arrangements of PKF Capital's IT infrastructure or network) caused directly or indirectly by the Client or any of its Representatives; or

(d) **Orders and instructions**

- (i) any error, corruption or delay in any order or other instruction (whether oral, written or electronic) communicated by the Client or by an Authorised Person; or
- (ii) acting on any order or instruction (whether oral, written or electronic) which is, or appears to be, from an Authorised Person or which is communicated using any Security Credentials; or

(e) **Termination and close-out of Transactions**

the termination and close-out by PKF Capital of any Transaction under this Agreement; or

(f) **Third party rights**

the enforcement of an indemnified party's rights under this Agreement or any Transaction,

except and to the extent that the Loss or Consequential Loss is sustained or incurred by an indemnified party directly as a result of its gross negligence or wilful default.

21.2 **Currency indemnity**

If:

(a) **Judgment or order**

a judgment or order is rendered by any court or tribunal:

- (i) for the payment of any amount owing to an indemnified party; or
- (ii) for the payment of damages in respect of any breach of this Agreement or any Transaction; or
- (iii) under or in respect of a judgment or order of another court or tribunal for the payment of those amounts or damages; and

(b) **Judgment currency**

that judgment or order is expressed in a currency (the **judgment currency**) other than the Client Base Currency,

then the Client indemnifies and holds harmless the indemnified party against any deficiency in terms of the Client Base Currency in the amount received by the indemnified arising or resulting from any variation between:

(c) **Conversion rate of exchange**

the rate of exchange at which the Client Base Currency is converted into the judgment currency for the purposes of that judgment or order; and

(d) **Actual rate of exchange**

the rate of exchange at which the indemnified party is able to purchase the Client Base Currency with the amount of the judgment currency actually received by the indemnified party.

21.3 **Additional provisions in relation to indemnities**

(a) **Indemnities separate**

Each indemnity in this clause constitutes a separate and independent obligation of the Client from its other obligations under this clause.

(b) **No proof of Loss required**

No proof or evidence of any actual Loss, including Consequential Loss, may be required by the Client.

21.4 **Privity Legislation**

Clause 21.1 confers, and is intended to be construed to confer, a benefit on, and to create an obligation enforceable at the suit of, each Representative and each Associate for the purposes of privacy according to Seychelles legislation and similar legislation of any other relevant jurisdiction. If the laws of any relevant jurisdiction prevent any Representative or Associate of PKF Capital being able to enforce directly the provisions of clause 21.1 then the rights and benefits of the indemnities granted pursuant to clause 21.1 for the Representatives and Associates of PKF Capital will be held upon trust by PKF Capital for the Representatives and Associates and may be enforced by PKF Capital as trustee for those beneficiaries.

22. Exclusion of liability

PKF Capital is not liable to the Client for any Loss or Consequential Loss suffered or incurred by the Client arising out of or in connection with this Agreement or any Transaction, whether in contract, tort, or otherwise, including:

(a) **Orders and instructions**

- (i) any error, corruption or delay in any order, instruction or other communication (whether oral, written or electronic) by the Client or by any of its Authorised Persons; or
- (ii) PKF Capital acting on any order, instruction or other communication (whether oral, written or electronic) through any Security Credentials or which otherwise is, or appears to be, from any of its Authorised Persons; or

(b) **General financial product advice, etc.**

any misrepresentation of any information or general financial advice provided by or on behalf of PKF Capital in relation to this Agreement or a Transaction; or

(c) **Knowing reliance on incorrect rates**

except in the case of fraud by PKF Capital, the reliance of the Client on a rate or a price which the Client knew, or ought reasonably to have known, to be materially incorrect; or

(d) **Account errors**

the entry into of a Transaction, or other action, by the Client on the basis of money deposited in or credited to an Account, or (where applicable) the Segregated Funds Account or any other account where Client Money is held, in error by, or on behalf of, PKF Capital; or

(e) **Enforcement rights**

the exercise, attempted exercise or non-exercise of any of the rights, powers or remedies of PKF Capital under this Agreement or any Transaction; or

(f) **Force Majeure**

the occurrence and continuance of any Force Majeure; or

(g) **Trading Platform – Client failure**

any failure of the Client:

- (i) to access or use a Trading Platform for its intended purposes; or
- (ii) to maintain the security, integrity and confidentiality of all Security Credentials; or
- (iii) to verify its Trading Platform Communications and any communications sent by PKF Capital by way of the relevant Trading Platform, other notices and communications and other reports; or

- (iv) to ensure the compliance of each of its Authorised Persons with each of the above; or
- (h) **Failure of Trading Platform**

any deficiency whatsoever of a Trading Platform, including failure of, or inability to, access or use a Trading Platform; or
- (i) **Abnormal Market Conditions**

the occurrence of Abnormal Market Conditions; or
- (j) **Stop Loss Order**

any failure of PKF Capital to close out a Transaction at the rate or price set out in a Stop Loss Order for the reasons set out in the schedule; or
- (k) **Limit Order**

any failure of PKF Capital to enter into a Transaction at the rate or price set out in a Limit Order for the reasons set out in the schedule; or
- (l) **Failure of telecommunications link**

any failure of a telecommunications link or network by which the Client may seek access to or use of a Trading Platform; or
- (m) **Website**

with respect to any information published on PKF Capital's website, including any claims or losses in relation to the accuracy, reliability or timeliness of such information; or
- (n) **Support**

with respect to any support, advice or assistance provided by PKF Capital, including any claims or losses in relation to technical support, trading support and account administration support.

23. **Tape recording**

23.1 **Telephone conversations**

The Client acknowledges and agrees that PKF Capital may:

- (a) **Recording authorised**

record all telephone conversations between the Client and PKF Capital; and
- (b) **Use of recording**

submit the recording, or a transcript from the recording, as evidence to any court or in any proceeding for the purpose of establishing any matters pertinent to this Agreement or any Transaction.

23.2 Retention of records

The Client acknowledges and agrees that PKF Capital is under no obligation to retain a recording or transcript made by PKF Capital and that PKF Capital may destroy such recording or transcript.

24. Confidentiality

24.1 Confidential Information

Each party undertakes, without the prior written consent of the other party:

(a) **Use and disclosure of Confidential Information**

not to use (other than in performing its obligations or exercising its rights under this Agreement or a Transaction) or disclose to any person any Confidential Information it has or acquires under or pursuant to this Agreement or any Transaction; and

(b) **Prevention of use and disclosure of Confidential Information**

to make every effort, including issuing legal proceedings, to prevent the use or disclosure of Confidential Information by any person.

24.2 Exceptions

The obligations contained in clause 24.1 do not apply:

(a) **Requirements of law or stock exchange**

to the extent required by law, by the listing requirements of any relevant stock exchange or other Public Authority; or

(b) **Public domain**

to the extent that the information is already in the public domain (other than by virtue of a breach by it of the provisions of this Agreement or any Transaction); or

(c) **Agreement**

to any information that each party agrees in writing is not Confidential Information; or

(d) **Performance of obligations**

to the extent that either party must use or disclose Confidential Information in order to perform its obligations under, or comply with the terms of, this Agreement or any Transaction; or

(e) **Limited disclosure**

to any information about the Client that PKF Capital, in its absolute discretion, deems necessary to disclose to its Representatives or Associates (including to any third party pursuant to any Hedging Arrangements) provided that each of those persons:

(i) is made aware of the provisions of this clause; and

- (ii) needs to know that information for the purpose of performing obligations or exercising rights under this Agreement, a Transaction or in connection with any Hedging Arrangements, as the case may be.

24.3 **Security breach**

If either party becomes aware, or suspects, that any unauthorised person has obtained or attempted to obtain access to Confidential Information of the other party, that party is immediately to notify the other party and take the steps reasonably available to it to protect that Confidential Information.

24.4 **Privacy Statement**

By entering into this Agreement, the Client authorises PKF Capital to process, disclose and use information relating to the Client as described in the Privacy Statement.

25. **Conflicts of interest**

25.1 **Third party conflicts of interest**

Nothing in this Agreement prevents:

(a) **Third party**

PKF Capital providing advice and other services to third parties whose interests may be in conflict or competition with the Client's interests; or

(b) **Other Clients**

any of PKF Capital, any of its Associates and any of its or their Representatives acting on behalf of other clients who may take positions opposite to the Client or may be in competition with the Client to acquire the same or a similar position.

25.2 **PKF Capital not responsible for loss**

(a) **No deliberate favour**

PKF Capital will not deliberately favour any person over the Client.

(b) **Acknowledgement and agreement**

The Client acknowledges and agrees that PKF Capital is not responsible for any Loss, including Consequential Loss, which may result directly or indirectly from advice, other services or actions provided or taken pursuant to clause 25.1.

25.3 **No fiduciary duties**

The Client acknowledges that PKF Capital's relationship to the Client is not that of a fiduciary and PKF Capital owes no fiduciary duties to the Client.

26. Hedging Arrangements

26.1 Hedging

(a) **With third parties**

From time to time, PKF Capital may effect hedging and other transactions with or through third parties, including its Associates, in order to hedge its exposure under this Agreement and Transactions.

(b) **Buffer Account**

For these purposes also, the Client:

- (i) acknowledges and agrees that PKF Capital will withdraw funds from the PKF Capital bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account) and deposit those funds in one or more Buffer Accounts;
- (ii) acknowledges and agrees that each Buffer Account is not a trust account or a segregated funds account, such that any funds in that account may, subject to Applicable Law, be available to the creditors generally of the account holder; and
- (iii) authorises PKF Capital to withdraw from time to time, in respect of the Client, such amount from PKF Capital bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account) that PKF Capital, in its absolute discretion, deems necessary or advisable in order that PKF Capital is able to provide margin and a substantial additional buffer in relation to any transactions it has entered into or may enter into with any third party with whom PKF Capital enters into Hedging Arrangements.

26.2 Sharing of commissions, fees and charges

(a) **Acknowledgement and agreement**

The Client acknowledges and agrees that PKF Capital may share commissions, fees and charges with its Associates or other third parties or receive remuneration from them in respect of Transactions and/or Hedging Arrangements.

(b) **Disclosure**

Details of these commissions, fees, charges, remuneration or sharing arrangements will not be set out in the relevant Confirmation but will be disclosed in accordance with any requirements of Applicable Law.

27. Instructions and Authorised Persons

27.1 Instructions

(a) **Client instructions and appointment of Authorised Persons, etc.**

- (i) The Client may place an order or otherwise give PKF Capital instructions (whether oral, written or electronic) as specified in any then-current Disclosure Document or otherwise published or provided by PKF Capital.
 - (ii) PKF Capital may, in its absolute discretion, decide whether or not to accept any oral, written or electronic instructions.
 - (iii) The persons authorised to place an order or to otherwise give PKF Capital instructions, including in relation to any Transaction, on the Client's behalf are those persons notified by the Client to PKF Capital.
 - (iv) The Client may vary those persons by written notice to PKF Capital.
 - (v) PKF Capital is not bound by any such variation until it actually receives written notice accordingly.
- (b) **PKF Capital may act on instructions, etc.**
- (i) PKF Capital may act upon the oral, written or electronic order or instruction, including any Trading Platform Communications, of any Authorised Person, or any person who appears to PKF Capital to be an Authorised Person, notwithstanding that the person is not, in fact, so authorised.
 - (ii) In particular, PKF Capital may act upon any Trading Platform Communications using the Client's Security Credentials.
- (c) **Client responsible for own security**
- (i) The Client is to keep all security information relating to a Trading Platform, its Transactions, each Account and this Agreement, and all Security Credentials, confidential and secure.
 - (ii) PKF Capital is not required to establish the authority of any person quoting the Client's Security Credentials.
 - (iii) If the Client is aware or suspects that any of these things is no longer confidential or secure, then the Client is to contact PKF Capital as soon as practicable in order that it or they may be changed or otherwise made secure.

27.2 Required instructions, etc.

- (a) **Client required to provide instructions, etc.**
- (i) The Client is promptly to give to PKF Capital any instructions which PKF Capital may require of the Client in respect of any Transaction or proposed Transaction.
 - (ii) If the Client does not promptly give those instructions, PKF Capital, acting reasonably, may take the steps at the Client's cost and expense as PKF Capital considers necessary or desirable for its own protection or the protection of the Client.
 - (iii) The Client authorises PKF Capital to charge the PKF Capital bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account) with any such cost or expense of taking those steps.

(b) **Key times, dates and events**

The Client acknowledges and agrees that PKF Capital is not responsible for notifying the Client of any times, dates or events that may be relevant to any Transaction (including in relation to Transactions where PKF Capital may require instructions).

(c) **PKF Capital may require confirmation**

PKF Capital may (but is not in any circumstances obliged to) require confirmation (in the form that PKF Capital requires) of any order or instruction (whether oral, written or electronic) if:

- (i) the order or instruction is to close an Account or remit money due to the Client; or
- (ii) it appears to PKF Capital, acting reasonably, that the confirmation is necessary or desirable.

(d) **Acknowledgement of instructions, etc.**

PKF Capital may acknowledge an order, instruction or other communication (whether oral, written or electronic) orally, in writing or by way of a Trading Platform.

27.3 **Authorised Persons**

For the purposes of this Agreement, persons may only be authorised in accordance with clause 27.1(a) in the following circumstances:

(a) **Company**

where the Client is a company, corporation, body corporate or incorporated society, the Authorised Person is a director or employee of the Client;

(b) **Trustee**

where the Client is a trustee, the Authorised Person is an employee of the trustee;

(c) **Partnership**

where the Client is a partnership, the Authorised Person is a partner in, or employee of, the Client;

(d) **Power of Attorney**

in any circumstances other than those specified in sub-paragraphs (a) and (b), a person authorised under a limited power of attorney or representative authorisation in the form specified by PKF Capital from time to time; and

(e) **Authorised Person can instruct withdrawal**

the Client acknowledges and agrees that:

- (i) an Authorised Person is permitted to communicate an order or instruction (whether oral, written or electronic) to withdraw or transfer Client Money or other moneys or property belonging to the Client and deposited or lodged with PKF Capital; and

- (ii) PKF Capital may act on an order or instruction (whether oral, written or electronic) from an Authorised Person to withdraw or transfer Client Money or other moneys or property belonging to the Client and deposited or lodged with PKF Capital.

28. Reporting to Client

(a) **Daily report**

As at Close of Business, PKF Capital may, but is not obliged to, send a daily report by electronic mail to the Client.

(b) **Client to ensure accuracy of contact details**

The Client is responsible for ensuring that its electronic mail contact details with PKF Capital are accurate and up-to-date.

29. Dispute process

29.1 The Parties agree that any dispute (including an alleged breach of, or default under, any Transaction) will be determined in terms of this clause by written notice given to the other Party in accordance with provisions of the Commercial Code Act - 1977 (S.I. 95 of 1976) of the Republic of Seychelles by an arbitrator or arbitrators nominated by the Parties.

29.2 This clause shall not preclude either Party from obtaining urgent relief from a court of competent jurisdiction.

29.3 The Parties hereby consent to the arbitration being dealt with on an urgent basis in terms of the Rules of AFSA should either Party, by written notice require the arbitration to be held on an urgent basis. In such event the Parties agree to apply jointly to the AFSA Secretariat as required in terms of the said Rules to facilitate such urgent arbitration.

29.4 The arbitrator shall be, if the matter in dispute is principally -

- (a) a legal matter, a practising advocate or attorney of Victoria, Republic of Seychelles of at least fifteen years' standing;
- (b) an accounting matter, a practising chartered accountant of Victoria, Republic of Seychelles of at least fifteen years' standing;
- (c) any other matter, any independent person,

agreed upon between the Parties.

- 29.5 Should the Parties to the dispute fail to agree whether the dispute is principally a legal, accounting or other matter within seven days after the arbitration was demanded, the matter shall be deemed to be a legal matter.
- 29.6 Should the Parties fail to agree on an arbitrator within fourteen days after the giving of notice in terms of clause 29.1, the arbitrator shall be appointed at the request of either Party to the dispute.
- 29.7 The decision of the arbitrator shall be final and binding on the Parties to the dispute and may be made an order of the court referred to in clause 29.8 at the instance of any of the parties to the dispute.
- 29.8 The Parties hereby consent to arbitration being held in Victoria, Republic of Seychelles and to the jurisdiction of the High Court of Seychelles in respect of the proceedings referred to in clause 29.2.
- 29.9 The Parties agree to keep the arbitration including the subject matter of the arbitration and the evidence heard during the arbitration confidential and not to disclose it to anyone except for purposes of obtaining an order as contemplated herein.
- 29.10 The provisions of this clause are severable from the rest of this Agreement and shall remain in effect despite the termination of or invalidity for any reason of this Agreement.

29.11 **Equitable remedies**

If either party does, or omits to do, or threatens to do or to omit to do, any act, matter or thing, and in the opinion of the other party, acting reasonably, that act or omission, or threatened act or omission:

(a) **Breach of agreement**

is, will be, or is likely to be a breach of this Agreement or any Transaction; or

(b) **Material adverse effect**

is having, will have, or is likely to have, a material adverse effect on the financial condition, operations or commercial or financial prospects of the other party,

then nothing in this clause prevents the other party from seeking through legal proceedings an injunction, an order for specific performance or other equitable remedy in respect of that act or omission or threatened act or omission.

29.12 **Continued performance**

Notwithstanding the existence of a Dispute and the operation of this clause, each party is to continue to perform its obligations under this Agreement and each Transaction.

30. **Assignment**

30.1 **Benefit and burden of this Agreement**

Subject to this clause, this Agreement is binding upon and ensures for the benefit of each of PKF Capital and the Client and its successors and permitted assignees or transferees.

30.2 **PKF Capital**

(a) **Ability to assign or transfer**

PKF Capital may assign or transfer any of its rights or obligations under this Agreement or any Transaction without the consent of the Client.

(b) **Same rights and obligations**

Each assignee or transferee is to have the same rights against the Client under this Agreement or any Transaction as if named in this Agreement as PKF Capital.

30.3 **Disclosure of information**

PKF Capital may disclose, on a confidential basis, to a potential assignee, transferee or other person with whom contractual relations in connection with this Agreement or any Transaction are contemplated, any information about the Client, whether or not that information was obtained in confidence and whether or not that information is publicly available.

30.4 **Client**

(a) **Client may not assign**

The Client may not:

(i) assign or transfer (whether absolutely, in equity, by way of security or otherwise), declare a trust over or otherwise deal with any of its rights or obligations under this Agreement or any Transaction; or

(ii) allow any such assignment, transfer, trust or dealing to subsist,

without the prior written consent of PKF Capital.

(b) **Purported assignment void**

Any purported assignment, transfer, trust or dealing under paragraph (a) without the consent of PKF Capital is void.

30.5 **Assignment and transfer on Client default, etc.**

(a) **On Event of Default**

If an Event of Default occurs or the Client is in default of any of its obligations under this Agreement or any Transaction, PKF Capital may (without prejudice to any other rights it may have) at any time afterwards assign and transfer to any person (including any third party with whom PKF Capital has entered into Hedging Arrangements) with immediate effect all or any of its rights in respect of moneys owing to it under this Agreement or any Transaction, as well as any security or other remedies available to it in respect of those moneys.

(b) **Acknowledgement of novation**

If any such assignment is made, then the Client, if so required by PKF Capital and the assignee and transferee, is to acknowledge in writing that the assignee and

transferee has assumed the rights and obligations of PKF Capital under this Agreement and any Transaction in relation to the relevant moneys.

31. Notices

31.1 Addresses and references

(a) Manner in which notices made

Each notice or other communication under this Agreement is to be made in writing and sent by facsimile, electronic mail, personal delivery or by post to the addressee at the facsimile number or address, and marked for the attention of the person or office holder (if any), from time to time designated for that purpose by the addressee to the other party.

(b) Address detail

- (i) The initial facsimile number and address of the Client is set out in the completed Application Form.
- (ii) The facsimile number, address and relevant person or office holder of PKF Capital is set out on PKF Capital's website.

31.2 Deemed delivery

(a) Effective on receipt

No notice or other communication is effective until received.

(b) Deemed receipt

A notice or other communication is, however, deemed to be received by the Client:

- (i) in the case of a letter, on the third business day after posting;
- (ii) in the case of a facsimile, on the date it was sent; and
- (iii) in the case of electronic mail, immediately it was sent.

31.3 Change of contact details

(a) By Client

The Client may change its contact details (including electronic mail address) to which Confirmations, Trading Platform Communications, statements and other communications are issued by written notice to PKF Capital.

(b) By PKF Capital

- (i) PKF Capital may notify the Client of a change to any of its contact details by written notice to the Client.
- (ii) For the purpose of this paragraph, written notice includes PKF Capital publishing such change on its website with immediate effect.

(c) **Effectiveness of changes**

In either case, the change is only effective on the later of the date specified in the notice and the time of deemed service under clause 31.2(b) or clause 31.3(b) (as applicable).

31.4 **Client responsible for ensuring correct address details**

The Client agrees and acknowledges that:

(a) **Sending Confidential Information**

Confidential Information in respect of the Client may be sent by PKF Capital in accordance with contact details the Client has provided; and

(b) **Client responsible**

the Client is solely responsible for ensuring that PKF Capital has its current address, telephone number, facsimile number and electronic mail address.

31.5 **Text messages and electronic mail and other communications**

(a) **Text messages may be sent**

From time to time, PKF Capital may send a text message to a mobile telephone of the Client or electronic mail to an electronic mail address provided by the Client in relation to this Agreement and Transactions, including in relation to the margin position of the Client.

(b) **No obligation to send text messages**

However, the Client acknowledges and agrees that PKF Capital has no obligation under this Agreement or any Transaction to send any such text message or electronic mail at any time.

(c) **Disclaimer in relation to Margin FX text messages**

The Client acknowledges and agrees that the following disclaimer is deemed to be incorporated in each and every text message sent under paragraph (a) with respect to Margin FX:

"This text message is an unsecured automatically-generated notification. This text message does not constitute a Confirmation for the purposes of the trading agreement between you and PKF Capital. Please login to your on-line trading account for more details.

PKF Capital has sent you this text message notification upon your request."

(d) **Disclaimer in relation to all communications by PKF Capital**

This disclaimer is not to be construed as giving any representation that PKF Capital has provided or will provide any investment advice to you. In addition to any other disclaimer specified in this Agreement or in any communication by PKF Capital, the Client acknowledges and agrees that the following disclaimer is deemed to be incorporated in each and every email, text message, facsimile and oral communication by PKF Capital:

*“This disclaimer applies to email, text message, facsimile and oral communications (individually referred to as a “**Communication**”) by PKF Capital Markets (Seychelles) Limited (“**PKF Capital**”). A disclosure statement is available on request and free of charge by contacting PKF Capital on +248 434 6770 or the then current contact details on their website.*

Confidentiality. *Any information, advice or opinions contained in this Communication are confidential and is provided solely for the information of the intended recipient. You may not distribute it to other persons. If you are not the intended recipient, you are not authorised to use the information, advice or opinions in this Communication in any way. This information may not be reproduced or circulated without the prior written consent of PKF Capital.*

Where you are not the intended recipient. *If you are not the intended recipient any review, disclosure, conversion to hard copy, dissemination, reproduction or other use of any part of this Communication is strictly prohibited, as is the taking or omitting of any action in reliance upon this Communication. If you receive this Communication in error or without authorisation, please notify PKF Capital immediately by return Communication and permanently delete the entire Communication from any computer, disk drive or other storage medium.*

Communications not on behalf of PKF Capital. *The information, advice or opinions expressed in this Communication may be the author's own and may not reflect the views or opinions of PKF Capital.*

Currency and accuracy of information. *Any information, advice or opinions contained in this Communication are current as at the time it is sent. Past performance is not a reliable indication of future performance.*

Third party data. *Certain parts of this Communication may be obtained or is based upon information, advice and/or opinions obtained from third parties which may not have been checked or verified by PKF Capital.*

Independent advice. *Before acting on any information, advice or opinions contained in this Communication, you should consider the appropriateness of such information, advice or opinions having regard to your situation. Any information, advice or opinions provided may not take account of your objectives, financial situation or needs. We recommend you obtain financial, legal and taxation advice before making any financial investment decision.*

Potential investors. *If you are a potential investor in a product discussed in this Communication, you should obtain a Disclosure Document available from PKF Capital and consider it in full before making any decision about this financial product. To acquire the product, you must complete the application form attached to the Disclosure Document and enter into a Client Agreement with PKF Capital.*

PKF Capital's interests. *PKF Capital or its associates, officers or employees may have interests in the financial products referred to in this Communication by acting in various roles including as holder of principal positions, broker or adviser. PKF Capital or its associates may receive fees, brokerage or commissions for acting in those capacities. In addition, PKF Capital or its associates, officers or employees may buy or sell the financial products and as such may effect transactions which are not consistent with any recommendations in the information.*

Factual information. To the extent this Communication contains purely factual information, such information is not an expression of opinion or recommendation. Such information does not constitute financial product advice and should not be relied on as such. None of the factual information takes into account your personal objectives, financial situation or needs and you must determine whether the information is appropriate in terms of your particular circumstances

Pricing information. If this Communication contains pricing information, such information is of a purely factual nature and is not an expression of opinion or recommendation. It does not constitute financial product advice and should not be relied on as such.

Trade re-caps. If this Communication includes trade re-cap information, then such information is provided as a service to you to assist with your trading and account administration. Unless otherwise specified, this Communication is not a Confirmation. A Confirmation may be separately sent to you. To the extent that this information conflicts with the terms of the Transaction contained in the Confirmation, you must rely on that Confirmation.

Valuation information. If this Communication includes indicative revaluation information (“Value”), such information is provided solely for your information. Each Value that is given is an indication of a 'close-out value' for the Transaction as at the close of the business day to which the Value relates. The Value will alter with changing market conditions and a variety of other relevant market factors. Provision of a Value by PKF Capital does not constitute an offer or bid to unwind the Transaction. If PKF Capital quotes a firm price to unwind a transaction, it may differ from the most recent Value provided to you and can be less favourable to you.

Forecasts. If this Communication contains any information by way of forecasts, you should consult PKF Capital for the full details of the assumptions upon which the forecast return and tax treatment are based. You should be aware that these are forecasts and may be affected by the accuracy of assumptions, risks and other uncertainties which may cause the actual returns to differ.

Research. If this Communication contains research information (“Research”), such information may have been prepared by PKF Capital or a third party. To the extent Research is prepared by third parties, it may be subject to additional disclaimers and conditions either as specified in the Communication, on PKF Capital's website or as you may be advised by contacting PKF Capital. Research may be based on assumptions or market conditions and may change without notice. Any quotes given are indicative only. Where any reference is made in the information to past performance, it must be remembered that past results are not necessarily indicative of future results. The value of products can and does fluctuate, and a product may even become valueless. No part of the Research is to be construed as a solicitation to buy or sell any product, or to engage in or refrain from engaging in any transaction.

Opinions. Any opinions, ideas and strategies in this Communication are based on certain assumptions and current market conditions. If those underlying assumptions or market conditions change, the opinions, ideas and strategies will change. All quotations are indicative only. If you have entered into a Client Agreement with PKF Capital, a firm quotation can be provided by contacting PKF Capital directly by the relevant trading platform specified in your Client Agreement. The strategies outlined are not intended to be specific and/or personal advice.

Liability. To the extent permitted by law PKF Capital, its related entities and third party suppliers accept no responsibility regardless of the cause of action, including without limitation for negligence, breach of contract, under an indemnity or statute, or in relation to any errors or misstatements, for any direct, indirect, consequential or any other loss or damage arising from or relating to (i) any error or omission in relation to the information, opinion or advice provided, or (ii) interception by any person of a Communication, or (iii) failure or delay in the transmission or receipt of a Communication, or (iv) any use of any information, advice or opinions contained in this Communication and/or further communication in relation to this Communication, whether such information, advice or opinions are those of PKF Capital or its related entities or third party supplier(s). Any information, advice or opinions have been obtained from sources believed to be reliable but PKF Capital, its related entities and/or third party suppliers make no representation or warranty that it is accurate, complete or up to date. The information may be based on assumptions or market conditions and may change without notice. No part of the information is to be construed as solicitation to make a financial investment.

Electronic Communications. PKF Capital, its related entities and third party suppliers do not warrant or guarantee that information contained in any email, text message or attached file is free of viruses, worms, trojan horses or anything else having contaminating or destructive properties and has not been intercepted and interfered with during transmission. It is your sole responsibility to protect yourself against such risk and, by opening any email, text message or attached file, you agree to assume all risks associated with electronic data transmission.

Unsubscribe facility. If this Communication is for the purpose is the marketing or promoting of products or services supplied by PKF Capital or if it contains a hyperlink to PKF Capital's website, you may contact PKF Capital to unsubscribe from receiving further similar Communications by using the same means by which you received this Communication.

Definitions. Terms not otherwise defined above have the meaning set out in the Client Agreement published on PKF Capital's website."

32. Remedies and waivers

32.1 Exercise of rights and waivers

(a) **Time of essence**

Time is of the essence in respect of all dates and times for compliance by each party with its obligations under this Agreement and each Transaction.

(b) **No waiver**

(i) However, no failure to exercise, and no delay in exercising, a right of a party under this Agreement or a Transaction operates as a waiver of that right.

(ii) Nor does a single or partial exercise of a right preclude another or further exercise of that right or the exercise of another right.

(c) **Waivers in writing**

A provision of, or a right created under, this Agreement or any Transaction may not be waived except in writing executed by the party granting the waiver.

32.2 Remedies cumulative

The rights of each party under this Agreement and each Transaction are cumulative and not exclusive of any rights provided by law.

33. Severance

33.1 Partial invalidity

The illegality, invalidity or unenforceability of a provision of this Agreement or of any Transaction under any law does not affect the legality, validity or enforceability of that provision under another law or the legality, validity or enforceability of another provision.

33.2 Severance

If a provision of this Agreement or of any Transaction is, or becomes, unenforceable, illegal or invalid for any reason:

(a) **Modify provision**

the relevant provision is deemed to be modified to the extent necessary to remedy that unenforceability, illegality or invalidity;

(b) **Negotiation**

if the relevant provision is unable to be modified under paragraph (a), each party is to negotiate, for a period of 28 days, to agree on a legal substitute provision as close to the original provision as possible; and

(c) **Severed provision**

if it is not possible to agree on a legal substitute provision in accordance with paragraph (b), the relevant provision is to be severed from this Agreement or Transaction, without affecting the enforceability, legality or validity of any other provision of this Agreement or that Transaction.

34. Rights of third parties

Except as otherwise described in this Agreement, nothing in this Agreement or any Transaction is intended to confer on any person other than PKF Capital or the Client any right to enforce any term of this Agreement or any Transaction.

35. Amendments

35.1 Entire agreement

(a) **Agreement and Confirmations**

This Agreement, together with each Confirmation, constitutes the entire agreement and understanding between PKF Capital and the Client with respect to its subject matter (including all Transactions).

(b) **Agreement supersedes other arrangements**

This Agreement supersedes all previous oral or written representations, arrangements, understandings and/or agreements between the Client and PKF Capital with respect to its subject matter (including all Transactions).

(c) **No oral agreements, etc.**

Neither PKF Capital nor the Client has relied on any representation, warranty or other assurance not expressly referred to or set out in this Agreement.

35.2 **Amendment to Agreement**

Except in relation to the Margin Platform Addendum and the Rates Schedule, PKF Capital may amend, modify or replace this Agreement and/or the then-current Disclosure Document at any time by:

(a) **Written notice**

written notice to the Client in accordance with clause 31; and/or

(b) **Notice on website**

posting notice accordingly and/or an amended form of this Agreement and/or a supplementary or new Disclosure Document on its website; and/or

(c) **Notice on Electronic Trading Platform**

posting notice accordingly and/or an amended form of this Agreement and/or a supplementary or new Disclosure Document on an Electronic Trading Platform; and/or

(d) **As permitted by Applicable Law**

as otherwise permitted by Applicable Law.

For the avoidance of doubt, PKF Capital may, in its sole discretion, amend the Margin Platform Addendum and the Rates Schedule from time to time by publishing updates on the PKF Capital website. It is the Client's responsibility to regularly check the Margin Platform Addendum and Rates Schedule as published on PKF Capital website to monitor any amendments to such documents.

35.3 **Disclosure Document, etc.**

The Client acknowledges and agrees that:

(a) **New Disclosure Document**

PKF Capital may make available to the Client any such notice and/or supplementary or new Disclosure Document, by any one or more of the means specified in clause 35.2; and

(b) **Deemed time of availability**

if the notice and/or supplementary or new Disclosure Document is made available to the Client by more than one means, it is deemed to be made available to the Client at the earliest possible time.

35.4 Deemed time of availability where posted on website or on Electronic Trading Platform

A notice and/or supplementary or new Disclosure Document posted on PKF Capital's website or on an Electronic Trading Platform is deemed to have been made available to the Client at the time the relevant document was posted by PKF Capital on its website or on the Electronic Trading Platform.

35.5 When amendment takes effect

(a) **Effective date and deemed acceptance by Client**

- (i) Any amendment, modification or replacement to or of this Agreement is effective on the date specified in the notice and/or supplementary or new Disclosure Document.
- (ii) The amendment, modification or replacement to or of this Agreement is deemed to be accepted by the Client if the Client:
 - (A) continues to enter into Transactions by way of a Trading Platform; or
 - (B) allows any outstanding Transaction to roll over.

(b) **Outstanding Transactions**

This amendment, modification or replacement, where applicable, also amends the terms of any outstanding Transaction on that effective date.

36. Costs

Each party will pay its own costs (including legal fees) of entering into -this Agreement.

37. Miscellaneous

37.1 Certificates conclusive

A certificate by PKF Capital of any amount payable under this Agreement or any Transaction is, in the absence of manifest error or fraud, conclusive evidence for all purposes, including for any proceedings.

37.2 Trustee Client

If the Client is a trustee, the Client undertakes:

(a) **Notify PKF Capital**

to notify PKF Capital immediately in writing if:

- (i) the Client ceases for any reason or at any time to be the sole trustee of the trust; or
- (ii) if there are two or more trustees, any other trustee ceases for any reason to be a trustee of the trust; or
- (iii) the trust is determined or for any other reason ceases to exist; or
- (iv) it becomes aware of any breach of trust; and

(b) **Limitation on distributions**

not to make any distribution of any capital of the trust which would result in the trust having insufficient assets to meet the Client's liabilities under outstanding Transactions and this Agreement.

37.3 **Survival**

The obligations of the parties under this Agreement survive the termination or settlement of any Transaction.

37.4 **Exclusions**

(a) **Warranties excluded**

Except as expressly set out in this Agreement, all warranties that may be implied into this Agreement by law are excluded to the maximum extent permitted by law.

(b) **Consumer protection legislation**

The Client acknowledges and agrees that, if the Client enters into Transactions for the purpose of a business, any consumer protection legislation does not apply.

37.5 **Execution by attorney**

Where this Agreement is executed by any party under power of attorney then, by executing this Agreement, each attorney is deemed to have stated that the attorney has received no notice of revocation of the relevant power of attorney.

38. **Governing law and jurisdiction**

38.1 **Seychelles law**

This Agreement shall be governed by and construed and interpreted in accordance with the law of the Republic of Seychelles. This does not exclude any obligation of PKF Capital or the Client to comply with any other Applicable Law.

38.2 **Submission to jurisdiction**

Each party submits to the non-exclusive jurisdiction of the courts of Seychelles.

Schedule: Margin

The provisions in this schedule apply to Margin Transactions.

1. Holding of Client Money

Subject to this Agreement and Applicable Law, PKF Capital will hold Client Money in respect of Margin Transactions in a Segregated Funds Account.

2. Margin Trading Platform

2.1 Trading Platform

The Trading Platform for Margin Transactions is either:

(a) **Electronic Trading Platform**

an Electronic Trading Platform (or, as the case may be, Electronic Trading Platforms) PKF Capital provides for the purpose of Margin Transactions; or

(b) **Other form of communication**

such other form of communication as PKF Capital may specify in writing from time to time.

3. Margin Platform Addendum

(a) The terms of the Margin Platform Addendum are incorporated by reference into this Agreement.

(b) The Margin Platform Addendum sets out:

(i) terms (including the Margin Requirement) which are specific to Margin Transactions entered into by way of a given Electronic Trading Platform; and

(ii) other terms which may apply to Margin Transactions generally.

4. Accounts and interest

4.1 New Account with PKF Capital

(a) **Request to open Margin Transaction Account**

Prior to the Client first entering into any Margin Transactions with PKF Capital, the Client must request PKF Capital to open an Account ("**Request**") for the purpose of the Client entering into Margin Transactions with PKF Capital ("**Margin Transaction Account**").

(b) **Actions by PKF Capital**

- (i) PKF Capital may, in its absolute discretion, accept or decline a Request.
 - (ii) PKF Capital is to notify the Client either that PKF Capital accepts the Request and that a Margin Transaction Account has been opened for the Client or that PKF Capital declines the Request.
- (c) **Separate Accounts**
- (i) For the avoidance of doubt and notwithstanding any other provision in this Agreement, the Client's Margin Transaction Account will be treated as separate from any other Account in the Client's name.
 - (ii) The Client cannot request the Margin Transaction Account to be combined with any other Account.

4.2 Interest

Details of the Interest Earning Amount and when Deposit Interest may be paid are set out in the Margin Platform Addendum and may vary depending upon the Trading Platform used to enter into Margin Transactions.

5. Financing and Rollover of Margin positions

5.1 Financing and Rollover at Close of Business

(a) **Transaction Value**

Each outstanding Margin Transaction is automatically valued and rolled over by PKF Capital ("**Rollover**"), and PKF Capital derives financing or rollover Enhancement Income, at Close of Business on each day in accordance with this clause.

(b) **Transaction Value**

PKF Capital determines the Transaction Value as at the Close of Business.

(c) **PKF Capital Rollover Interest Rate**

PKF Capital determines the PKF Capital Rollover Interest Rate for each currency as at the Close of Business.

(d) **Rollover Enhancement Income**

The Client acknowledges and agrees that PKF Capital derives income ("**Rollover Enhancement Income**") when a Margin Transaction is rolled, being the cost or charge to the Client over and above the cost to PKF Capital of re-establishing a Margin Transaction at Close of Business in the wholesale market.

(e) **Authority to debit Rollover Enhancement Income**

The Client authorises PKF Capital to withdraw Rollover Enhancement Income from the Segregated Funds Account with effect immediately after the Close of Business.

5.2 Funding Cost/Benefit

(a) Margin CFD Transactions

- (i) Where the Client is long the relevant share, index or sector CFD position, PKF Capital credits the Margin Transaction Account with an amount equivalent to overnight interest to the next trading date equal to the PKF Capital Rollover Interest Rate on the Transaction Value.
- (ii) Where the Client is short the relevant share, index or sector CFD position, PKF Capital debits the Margin Transaction Account with an amount equivalent to overnight interest to the next trading date equal to the PKF Capital Rollover Interest Rate on the Transaction Value.

(b) Margin FX Transactions

- (i) Where the Client is long the relevant currency, PKF Capital credits the Margin Transaction Account with an amount equivalent to overnight interest to the next spot date equal to the PKF Capital Rollover Interest Rate on the Transaction Value.
- (ii) Where the Client is short the relevant currency, PKF Capital debits the Margin Transaction Account with an amount equivalent to overnight interest to the next spot date equal to the PKF Capital Rollover Interest Rate on the Transaction Value.

(c) Interest Payments

- (i) For the purposes of paragraphs (a) and (b), the interest is calculated on the basis of the annual rate, divided by 360 or 365 (according to relevant market practice), for and including the Business Day on which that Close of Business occurs to but excluding the next spot date.
- (ii) The amounts of interest referred to in paragraphs (a) and (b) are credited and debited to the Margin Transaction Account with effect immediately after the Close of Business.
- (iii) These amounts of interest are called **Funding Cost/Benefit**.
- (iv) The Client acknowledges and agrees that where there is more than one Electronic Trading Platform available in respect of Margin Transactions, the PKF Capital Spread relevant to the PKF Capital Rollover Interest Rate may differ according to the Electronic Trading Platform used.

6. Close-out of Margin Transactions

A Margin Transaction may be closed out in accordance with clause 20 if:

(a) By Client

the Client instructs PKF Capital including by way of the Trading Platform; or

(b) By PKF Capital

PKF Capital exercises any of its rights under this Agreement to close out a Margin Transaction at any time before the Margin Transaction otherwise closes out under this Agreement.

7. Margin and margin maintenance

7.1 Client's obligation to pay and maintain Margin

(a) Obligation to pay margin

The Client is to pay to PKF Capital such sums of money in the Client Base Currency by way of margin as PKF Capital may require under this Agreement or as otherwise notified in writing by PKF Capital to the Client.

(b) Client to ensure funds correctly designated

- (i) The Client is to ensure that moneys paid to PKF Capital are correctly designated in all respects, including, where applicable, that those moneys are by way of margin and to which Margin Account of the Client they should be applied.
- (ii) From time to time, PKF Capital is to provide to the Client details of the arrangements that apply to making payments to PKF Capital.

(c) Cleared funds

- (i) The Client acknowledges and agrees that PKF Capital will credit those moneys to the Segregated Funds Account only when they become cleared funds.

Accordingly, moneys paid by international electronic transfers, in accordance with relevant bank and currency practice, may not be available as collateral and, therefore, Free Margin for a number of Business Days.

- (ii) PKF Capital will, in accordance with the normal practices of the Registered Bank at which the Segregated Funds Account is held, arrange for the credit of those moneys to the Segregated Funds Account as soon as practicable after they become cleared funds.

(d) Obligation to maintain margin

- (i) The Client undertakes to maintain the Margin Requirement(s) being either:
 - (A) in the case of Margin Transactions entered into using an Electronic Trading Platform, the relevant Margin Requirement(s) specified in the Margin Platform Addendum; and
 - (B) in all other cases, the Margin Requirement(s) advised by PKF Capital.
- (ii) The undertaking in sub-paragraph (i) is deemed to be repeated at the time each Margin Transaction is entered into.
- (iii) If the Client has more than one Margin Transaction Account, the undertaking in sub-paragraph (i) relates to each Margin Transaction Account separately, unless PKF Capital has agreed otherwise in writing.

- (iv) For the avoidance of doubt, the undertaking in sub-paragraph (i) is a margin requirement for the purpose of clause 18.1(b).
- (v) The Client acknowledges and agrees that:
 - (A) the Margin Requirement may differ depending on the Electronic Trading Platform on which Margin Transactions are entered;
 - (B) the applicable Margin Requirement may, from time to time, be updated by PKF Capital by amending the Margin Platform Addendum and it is the Client's responsibility to ensure it is aware of the prevailing Margin Requirement at any point in time.

(e) Client to maintain surplus Free Margin

The Client must maintain sufficient surplus Free Margin so that, should the relevant Trading Platform become unavailable and the Client is unable to ascertain its real-time Margin Requirement or amount of Free Margin available, the applicable Margin Requirement will still be satisfied notwithstanding any market movement during that period.

(f) Failure to meet Margin Requirement

The Client acknowledges and agrees that, if at any time during any day, the relevant Margin Requirement is not maintained:

- (i) the relevant Electronic Trading Platform may automatically terminate and close out some or all outstanding Margin Transactions; and
- (ii) PKF Capital may, but is under no obligation to, terminate and close out some or all of the Client's positions.

(g) Margin position does not include accrued but unpaid interest

The Client acknowledges and agrees that Free Margin in its Margin Account at any time does not include any interest that has accrued but has not been paid under this Agreement.

7.2 Monitoring margin

(a) Access to Margin Account information

The Client acknowledges that, by accessing the Electronic Trading Platform at any time, the Client is able to view its margin position in real time.

(b) Client to monitor margin on 24-hour basis

The Client acknowledges and agrees that the Client is solely responsible for monitoring its margin position daily on a 24-hour basis, by way of the Electronic Trading Platform, and that, in doing so, the Client must have regard to:

- (i) outstanding Margin Transactions;
- (ii) the volatility of any relevant currency, commodities, securities, derivatives or futures market or exchange or of exchanges or markets generally;

- (iii) any applicable exchange rate or interest rate risk; and
 - (iv) the time it takes the Client to remit sufficient cleared funds to PKF Capital (including the time it takes those funds to clear).
- (c) **Waiver of right to margin demand, etc.**
- (i) The Client acknowledges and agrees that under no circumstances is it entitled to receive a margin demand, call or notice from PKF Capital.
 - (ii) In particular, the Client acknowledges and agrees that, whether or not extreme or unusual market conditions exist, where the value of outstanding Margin Transactions is moving or have moved particularly quickly against the Client, PKF Capital may not make a margin call or give notice before exercising its right to terminate and close out all (or some only) Transactions under this Agreement.
 - (iii) No demand, call or notice made or given by PKF Capital to the Client in any one or more instances invalidates the acknowledgement and agreement given by the Client in sub-paragraph (i).
- (d) **Time for forwarding moneys**
- (i) PKF Capital is not obliged to allow the Client time to forward further funds to meet its Margin Requirement under this clause before exercising its right to terminate and close out any Transactions (including Margin Transactions) under this Agreement.
 - (ii) However, PKF Capital may in its absolute discretion allow the Client time to forward funds to meet its Margin Requirement, in which event that permission is only effective once it is confirmed in writing by PKF Capital, and then only to the extent specified in the written notice given by PKF Capital.

8. Stop Loss Orders and Limit Orders

8.1 Stop Loss Orders

- (a) **Stop Loss facility**
- (i) PKF Capital may, on the request of a Client by way of the Trading Platform, agree to a Stop Loss Order in relation to a Margin Transaction.
 - (ii) PKF Capital may charge a fee it deems appropriate for the Stop Loss Order.
 - (iii) The Client authorises PKF Capital to withdraw this fee from the Segregated Funds Account when the Stop Loss Order is entered into.
- (b) **No guarantee that Stop Loss Order will be fulfilled in every case**
- (i) Subject to sub-paragraph (ii), PKF Capital will close out the relevant Margin Transaction in accordance with the Stop Loss Order.
 - (ii) However, the Client acknowledges that:

- (A) market conditions, including Abnormal Market Conditions, may arise such that PKF Capital may only be able to terminate and close out the Margin Transaction the subject of the Stop Loss Order at a price or rate that is substantially less than that in the Stop Loss Order;
- (B) once the Stop Loss Order is triggered, PKF Capital will close out the Margin Transaction at whatever price or rate it is able to obtain for the Client in the market; and
- (C) the Client accepts these risks accordingly.

8.2 Limit Orders

(a) Limit Order facility

- (i) PKF Capital may, on the request of a Client by way of the Trading Platform, agree to a Limit Order in relation to a Margin Transaction.
- (ii) PKF Capital may charge a fee it deems appropriate for the Limit Order.
- (iii) The Client authorises PKF Capital to withdraw this fee from the Segregated Funds Account when the Limit Order is entered into.

(b) No guarantee that Limit Order will be at market in every case

However, the Client acknowledges that:

- (i) while the Limit Order will be entered into at the price or rate set out in the Limit Order, market conditions, including Abnormal Market Conditions, may arise such that PKF Capital may only be able to enter into the Margin Transaction the subject of the Limit Order at a price or rate that is substantially different from the prices or rates prevailing in the relevant market at the time of entry into of the Margin Transaction; and
- (ii) the Client accepts this risk accordingly.

9. Trading conduct and Corporate Actions

9.1 Trading conduct and market abuse

(a) Nature of Transactions

Notwithstanding that that a Margin CFD transaction is between PKF Capital and the client gains no ownership rights on the underlying instrument. PKF Capital run a Direct Market Access (DMA) model where it takes a physical position in the underlying instrument for every CFD position.

(b) Client bound by rules of trading exchange

The client accept that they must acquaint themselves with the relevant rules and legislation for the exchange on which the underlying instrument is traded when trading and are bound by those rules when trading CFDs with PKF Capital.

9.2 Corporate Actions

(a) PKF Capital's obligations

PKF Capital will act reasonably and in good faith, taking into account the nature of a Corporate Action that has occurred, in order to endeavour to preserve the economic value of the relevant Transaction.

(b) General powers of PKF Capital

If a Corporate Action occurs, PKF Capital is entitled to;

- (i) change PKF Capital prices;
- (ii) change PKF Capital spreads;
- (iii) change Margin factors;
- (iv) change Minimum Trade Sizes and Maximum Trade Sizes;
- (v) suspend the acceptance of or refuse to accept trades or orders for any affected market.

(c) Powers of PKF Capital in relation to Transactions

In addition, if a Corporate Action occurs PKF Capital entitled to do any of the following in relation to a Transaction that is directly or indirectly affected by the Corporate Action and that was in place prior to the relevant Corporate Action:

- (i) change the opening PKF Capital price of the trade;
- (ii) change the agreed execution price of the order;
- (iii) close any open bet/trade and cancel any order;
- (iv) open a new trade or order in the relevant Market; or
- (v) make an appropriate credit or debit to your Margin Transaction Account.

(d) Notice of Changes

PKF Capital can exercise the above rights with or without notice depending on the nature of the Corporate Action concerned. If PKF Capital exercises a right before giving notice, PKF Capital will inform the affected Clients as soon as reasonably practicable that we have done so.

(e) Dividends

If a dividend adjustment applies to an equity or index to which a Transaction relates and the Transaction was open at the Close of Business on the last of PKF Capital's trading days (for that equity or index) prior to the relevant ex-dividend date PKF Capital will apply a dividend adjustment in accordance with clause 8.4(f) or 8.4(g).

(f) Dividends in relation to Equity CFDs

In the case of CFD trades relating to individual equities the dividend adjustment will be applied as follows:

- (i) Clients holding long individual equity CFD positions will be credited an ex-dividend adjustment net of the tax requirements of the relevant tax authority as determined by PKF Capital acting reasonably.
- (ii) Clients holding short individual equity CFD positions will be debited an ex-dividend adjustment net of the tax requirements of the relevant tax authority as determined by PKF Capital acting reasonably.

(g) Dividends in relation to Index CFDs

In the case of adjustments to index CFD trades, the rate of adjustment will be determined by PKF Capital acting reasonably, taking into account, for example, the weighting of the companies concerned. Adjustments are applied as follows:

- (i) Buy trades are credited with the relevant adjustment.
- (ii) Sell trades are debited with the relevant adjustments.

(h) Variation of dividend adjustment rules

PKF Capital may (acting reasonably) terminate or vary the dividend adjustment depending on changes in law, the Regulatory System, rates of tax and in particular the withholding tax requirements of the relevant tax authority.