

## TERMS AND CONDITIONS

These terms and conditions, together with any Schedule(s), Annexes, and other accompanying documents, as amended from time to time, (this "Agreement") sets out the terms of the contract between you and us. It is, therefore, very much in your interests to read it carefully. Please let us know as soon as possible if there is anything which you do not understand.

### 1. GENERAL INFORMATION

- 1.1 Information about us: We, IMPERIAL MARKETS, are authorised and regulated by the financial services commission of the BVI Company Number 1024516. Our address is IMPERIAL SOLUTIONS Ltd, Intershore Chambers, Road Town, Tortola, British Virgin Islands.
- 1.2 Communication with us: You may communicate with us in writing by email, online chat, or other electronic means, or orally (including by telephone). The language of communication shall be English, and you will receive documents and other information from us in English. Our website at [www.imperialmarkets.com](http://www.imperialmarkets.com) contains further details about us and our services, and other information relevant to this Agreement. In the event of any conflict between the terms of this Agreement and our website, this Agreement will prevail.
- 1.3 Capacity: We act as principal and not as agent on your behalf in respect of Forex, contracts for differences, Options and over the counter products. We shall treat you as a retail client for the purposes of the FSC Rules. You have the right to request a different client categorization. However, if you do so and we agree to such categorization, you will lose the protection afforded by certain FSC Rules. This may include, but is not limited to: (a) the requirement for us to act in accordance with your best interests; (b) our obligation to provide appropriate information to you before providing the services; (c) the restriction on the payment or receipt by us of any inducements; (d) our obligation to achieve best execution in respect of your orders; (e) the requirement to implement procedures and arrangements which provide for the prompt, fair and expeditious execution of your orders; (f) our obligation to ensure that all information we provide to you is fair, clear and not misleading; and (g) the requirement that you receive from us adequate reports on the services provided to you. You act as principal and not as agent (or trustee) on behalf of someone else.
- 1.4 Commencement: This Agreement supersedes any previous agreement between you and us on the same subject matter, and takes effect when you signify acceptance of this Agreement. This Agreement shall

apply to all Transactions contemplated under this Agreement. In the event of any conflict between the clauses of this Agreement and the terms of any other material distributed by us the clauses of this Agreement shall prevail.

- 1.5 Subject to Applicable Regulations: This Agreement and all Transactions are subject to Applicable Regulations so that: (i) if there is any conflict between this Agreement and any Applicable Regulations, the latter will prevail; (ii) nothing in this Agreement shall exclude or restrict any obligation which we have to you under Applicable Regulations; (iii) we may take or omit to take any action we consider necessary to ensure compliance with any Applicable Regulations; (iv) all Applicable Regulations and whatever we do or fail to do in order to comply with them will be binding on you; and (v) such actions that we take or fail to take for the purpose of compliance with any Applicable Regulations shall not render us or any of our directors, officers, employees or agents liable.
- 1.6 Market action: If a Market (or intermediate broker or agent, acting at the direction of, or as a result of action taken by, a Market) or regulatory body takes any action which affects a Transaction, then we may take any action which we, in our reasonable discretion, consider desirable to correspond with such action or to mitigate any loss incurred as a result of such action. Any such action shall be binding on you. If a Market or regulatory body makes an enquiry in respect of any of your Transactions, you agree to co-operate with us and to promptly supply information requested in connection with the enquiry.
- 1.7 Scope of this Agreement: This Agreement sets out the basis on which we will provide services to you. This Agreement governs each Transaction entered into or outstanding between us on or after the execution of this Agreement.
- 1.8 Charges: You shall pay our charges as agreed with you from time to time, any taxes imposed by any competent authority on any account opened or Transaction effected by or cleared for you; any fees or other charges imposed by a Market or any clearing organisation; interest on any amount due to us at the rates then charged by us (and which are available on request); and any other value added or other applicable taxes of any of the foregoing, including any withholding tax. We will notify you of our current charges. Any alteration to charges will be notified to you before the time of the change.
  - 1.8.1 Inactive Account Fee: We will charge a monthly fee for any accounts which have had no "activity" for 13 consecutive months. By activity we mean no new trades placed or rollovers on existing open positions. The

monthly inactive account fee is \$USD 10.00 per calendar month. This means that the first possible account maintenance fee (for inactive accounts) would be debited from your account 13 months from the last activity as defined above. This fee will never be applied to accounts that are in debit and if the credit balance is less than the fee amount i.e. balance of \$USD5.00, we would only charge the amount which would zero out the balance on the account, and never create a debit balance from a credit balance.

- 1.9 Costs resulting from use of distance means: In addition to the costs set out above, additional costs may be payable by you by virtue of the fact that this contract is entered into via email, telephone or fax or other distance means.
- 1.10 Additional costs: You should be aware of the possibility that other taxes or costs may exist that are not paid through or imposed by us.
- 1.11 Payments: All payments to us under this Agreement shall be made in such currency as we may from time to time specify to the bank account designated by us for such purposes. All such payments shall be made by you without any deduction or withholding.
- 1.12 Remuneration and sharing of charges: We may receive remuneration from, or share charges with, an Associate or other third party in connection with Transactions carried out on your behalf. Details of any such remuneration or sharing arrangements are enclosed.
- 1.13 Description of Service: A description of the main characteristics of the service we will provide is enclosed.

## **2. RIGHT TO CANCEL**

Right to Cancel: You have a right to cancel this Agreement for a period of fourteen days commencing on the date on which this Agreement is concluded or the date on which you receive this Agreement (whichever is later) (the "Cancellation Period"). Should you wish to cancel this Agreement within the Cancellation Period, you should send notice in writing to the registered address of IMPERIAL SOLUTIONS Ltd. If you fail to cancel this Agreement within the Cancellation Period you will be bound by its terms.

## **3. ADVICE**

- 3.1 Information from you: Although we do not normally provide an advisory service if we expressly agree in writing to provide you with advice, we are obliged under Applicable Regulations to obtain information about your personal and financial circumstances so that we

can make a recommendation or take a decision which is suitable for you. We shall assume that information about your personal and financial circumstances in any document provided from you to us, is accurate and we will have no responsibility to you if such information changes or becomes inaccurate unless you have informed us of such changes. Unless we obtain the necessary information from you, we will not be able to advise you.

- 3.2 Advice and execution-only arrangements: Please note that we will not advise you about the merits of a particular Transaction if we reasonably believe that, at the time of your order, you are not expecting such advice and are dealing on an execution-only basis. If we advise you that your proposed course of action is not suitable for you but you nevertheless wish to proceed with the Transaction, we will only accept your order on an execution-only basis. In such circumstances, we will inform you at the time that we will execute your order on that basis. We may proceed with the Transaction even when you are acting contrary to our advice.
- 3.3 No on-going advice: From time to time, we may, at our discretion, provide information, advice and recommendations on our own initiative. However, we shall not be under any obligation to provide on-going advice in relation to the management of your investments unless you have entered into a discretionary investment management agreement with us or we have agreed to maintain your portfolio under continuous review and provide specific recommendations from time to time.
- 3.4 Limitations: Where we do provide market information, advice or recommendations, we give no representation, warranty or guarantee as to their accuracy or completeness or as to the tax consequences of any Transaction. Unless we specifically agree otherwise in writing with you, you hereby acknowledge: (i) that the provision of advice is incidental to your dealing relationship with us and provided solely to enable you to make your own investment decisions; (ii) that the information provided to other clients may be different from advice given to you; and (iii) that such information may not be consistent with our proprietary investments, or those of our Associates, directors, employees or agents.
- 3.5 Investment research and other published information: We may from time to time send published research reports and recommendations and other publications to you. If the document contains a restriction on the person or category of

persons for whom that document is intended or to whom it is distributed, you agree that you will not pass it on to any such person or category of persons. We make no representations as to the time of receipt by you of research reports or recommendations and cannot guarantee that you will receive such research reports or recommendations at the same time as other clients. We shall not be liable for any investment decision you make, based in whole or in part, on any investment research report, recommendation or other publication we send to you. Any such published research reports or recommendations may appear in one or more screen information service. Please refer to our Conflicts of Interest Policy for further information on how we manage conflicts which would affect the impartiality of investment research we provide to you.

- 3.6 Tax advice: We will not provide any tax advice. In addition, we shall not at any time be deemed to be under any duty to provide tax advice.

#### **4. YOUR INFORMATION**

4.1 Confidentiality and data protection: Subject to the following we will treat all information we hold about you as private and confidential, even when you are no longer a client. You agree, however, that we and other companies in our group may:

- a. use your information to administer and operate your account and monitor and analyze its conduct, provide services to you, assess any credit limit or other credit decision (and the interest rate, fees and other charges to be applied to your account) and enable us to carry out statistical and other analysis;
- b. disclose your information to other companies in our group; those who provide services to us or act as our agents; anyone to whom we transfer or propose to transfer any of our rights or duties under this Agreement; credit reference agencies or other organizations that help us and others make credit decisions and reduce the incidence of fraud or in the course of carrying out identity, fraud prevention or credit control checks; where we are required to do so by Applicable Regulations, there is a public duty to disclose or our interests require disclosure; at your request; or with your consent (and in the case of a joint account, we may disclose to any of you

information obtained by us from any of you in relation to the account);

- c. use your information, unless you have told us that you do not wish us to do so, to inform you (by post, telephone, email or other medium, using the contact details you have given us) about products and services offered by us, other companies in our group or selected third parties which we believe may be of interest to you; and
  - d. transfer your information to any country, including countries outside the European Economic Area which may not have strong data protection laws, for any of the purposes described in this clause.
- 4.2 Your rights: You may have rights of access to some or all of the information we hold about you, to have inaccurate information corrected and to tell us that you do not wish to receive marketing information, under data protection law. If you wish to exercise any of these rights, please contact us in writing.

#### **5. INSTRUCTIONS AND BASIS OF DEALING**

- 5.1 Placing of instructions: You may give us instructions in writing by email or other electronic means or orally (including by telephone), unless we tell you that instructions can only be given in a particular way. If you give instructions by telephone, your conversation may be recorded. If any instructions are received by us by telephone, computer or other medium we may ask you to confirm such instructions in writing. We shall be authorised to follow instructions notwithstanding your failure to confirm them in writing. Instructions for the simultaneous sale and purchase of a security financial instrument on behalf of the same beneficial owner may not be given under this Agreement. In this Agreement "instructions" and "orders" have the same meaning.
- 5.2 Authority: We shall be entitled to act for you upon instructions given or purporting to be given by you or any person authorised on your behalf without further enquiry as to the genuineness, authority or identity of the person giving or purporting to give such instructions.
- 5.3 Cancellation/withdrawal of instructions: We can only cancel your instructions if we have not acted upon those instructions. Instructions may only be withdrawn or amended by you with our consent.
- 5.4 Right not to accept orders: We may, but shall not be obliged to, accept instructions to enter into a Transaction. If we decline to enter into a proposed

- Transaction, we shall not be obliged to give a reason but we shall promptly notify you accordingly.
- 5.5 Control of orders prior to execution: We have the right (but no obligation) to set limits and/or parameters to control your ability to place orders at our absolute discretion. Such limits and/or parameters may be amended, increased, decreased, removed or added to by us at our absolute discretion and may include (without limitation): (i) controls over maximum order amounts and maximum order sizes; (ii) controls over our total exposure to you; (iii) controls over prices at which orders may be submitted (to include (without limitation) controls over orders which are at a price which differs greatly from the market price at the time the order is submitted to the order book); (iv) controls over the Electronic Services (to include (without limitation) any verification procedures to ensure that any particular order or orders has come from you); or (v) any other limits, parameters or controls which we may be required to implement in accordance with Applicable Regulations.
- 5.6 Execution of orders: We shall use our reasonable endeavours to execute any order promptly, but in accepting your orders we do not represent or warrant that it will be possible to execute such order or that execution will be possible according to your instructions. If we encounter any material difficulty relevant to the proper carrying out of an order on your behalf, we shall notify you promptly. We shall carry out an order on your behalf only when the relevant Market is open for dealings, and we shall deal with any instructions received outside Market hours as soon as possible when that relevant Market is next open for business (in accordance with the rules of that Market). You agree that we may execute an order on your behalf outside a Market. When you give us a specific instruction, our order execution policy will not apply, and we may be unable to take the steps described in such policy to obtain the best possible result in executing your order. You confirm that you have read and agree to our order execution policy and best execution policy contained in the Schedule to this Agreement. We will notify you of any material changes to our order execution policy, but it is your responsibility to check for any other changes to our order execution policy as published from time to time at [www.imperialmarkets.com](http://www.imperialmarkets.com). We will consider the continued placement of orders by you to constitute your continued consent to our order execution policy as in effect from time to time.
- 5.7 All Stop orders (pending) will be automatically cancelled after market close on Friday or early market closures on holidays. If necessary, clients can place a new pending order after the market reopens. Note: Excludes Stop-Loss and Take-Profit of existing positions. Upon the market re-opening on Monday or after a Holiday, the price may have gapped. Take Profit Orders/Stop Loss Orders are not guaranteed to be executed at the prices set by the clients. They will be honored at the executable price after the market opens.
- 5.8 Crossing of orders: We may arrange for a Transaction to be executed, either in whole or in part, by selling an investment to you from another client, or a client of an Associate of ours, or vice-versa. We shall not give you prior notice if we arrange for a Transaction to be executed in this manner.
- 5.9 Aggregation of orders: We may combine your order with our own orders and orders of other clients. By combining your orders with those of other clients, we must reasonably believe that this is in the overall best interests of our clients. However, aggregation may result in you obtaining a less favourable price in relation to a particular order. Please refer to our order allocation policy for more information.
- 5.10 Confirmations: All trade transaction activity is available 24x7 on the platform that you use and subsequent to trade date on the back-office platform. It is your responsibility to inform us of any discrepancy that you believe has occurred on the platform. Trade activity reported shall, in the absence of manifest error, be conclusive and binding on you, unless we receive from your objection in writing within three Business Days of execution.
- 5.11 Performance and settlement: You will promptly deliver any instructions, money, documents or property deliverable by you under a Transaction in accordance with that Transaction as modified by any instructions given by us for the purpose of enabling us to perform our obligations under the relevant matching Transaction on a Market or with an intermediate broker.
- 5.12 Intermediate brokers and other agents: We may, at our entire discretion, arrange for any Transaction to be affected with or through the agency of an intermediate broker, who may be an Associate of ours. Neither we nor our respective directors, officers, employees or agents will be liable to you for any act or omission of an intermediate broker or agent. No responsibility will be accepted for intermediate brokers or agents selected by you.

5.13 Position limits: We may require you to limit the number of open positions which you may have with us at any time and we may in our sole discretion close out any one or more Transactions in order to ensure that such position limits are maintained.

5.14 Trade Reporting: Under Applicable Regulations, we may be obliged to make information about certain Transactions public. You agree and acknowledge that any and all proprietary rights in such Transaction information are owned by us and you waive any duty of confidentiality attaching to the information which we reasonably disclose.

## 6. PRICING

6.1 The Client agrees and acknowledges that:

- a. IMPERIAL MARKETS set the price of the Instrument that you use to open and close a Position;
- b. Prices provided on the Trading Platform are subject to Liquidity;
- c. IMPERIAL MARKETS may contribute its own (internal) Liquidity when setting a price in order to improve the spread between the bid and
- d. ask price, and/or the Liquidity available at each price; and
- e. An order may be rejected, partially executed, and/or executed based on a Volume Weighted Average Price.

In certain circumstances, the price we set may be different from the current market price of the Underlying Asset, and/or another issuer of Margin FX, CFD, or Binary Option contracts.

In particular:

- Where Out of Hours Trading is available and we set the prices at which we are prepared to deal with you; and/or
- If we cannot determine a price because trading in the Underlying Market/Asset is limited, suspended, and/or a price cannot be determined by our Liquidity provider(s), then the price will be the price:
  - immediately preceding such limitation; and/or
  - determined by us in our absolute discretion, acting reasonably, but having regard to the prevailing market conditions affecting trading as a whole.
- To close out all or part of your open Position, limit the total value the Position, you can open, refuse an order, or terminate the agreement between us if certain circumstances arise including where we:

- Decide at our absolute discretion provided we give you prior written notice of such decision; or
- Reasonably consider it necessary for the protection of our rights under the Terms and

6.2 It is possible for errors, omissions or misquotes (Material Errors) to occur in the pricing that we quote for CFDs. A Material Error may include an incorrect price, date, time or any error or lack of clarity of any information regarding a CFD. If your CFD is based on a Material Error, we reserve the right to do any of these things (or a combination of them), without your consent:

- A. amend the terms and conditions of the CFD to reflect what we consider to have been a fair price at the time the CFD was entered into, had there been no Material Error;
- B. apply an equity adjustment to your Account, if;
  - I. the value of the adjustment reflects what we consider to have been the fair price at the time the CFD was entered into, had there been no Material Error; and
  - II. we provide you with a record of the adjustment as soon as reasonably practical afterwards;
- C. Close-Out your CFD;
- D. require you to repay us any money we've paid you regarding the CFD;
- E. void the CFD from the outset; or
- F. not take any action to amend or void the CFD.

We'll exercise our rights reasonably, in good faith and as soon as we're reasonably able to after we become aware of the Material Error. Where possible, we'll let you know before we take any action under this clause, but if that's not possible, we'll let you know as soon as possible afterwards.

In the absence of fraud or gross negligence on our part, we're not liable to you for any loss, cost, claim, demand or expense that you incur or suffer (including loss of profits or indirect or consequential losses), arising from or connected with a Material Error, including where the Material Error arises from an information service that we rely on.

6.3 If we, acting reasonably, believe that you've manipulated our prices, our execution processes or the Trading Platform, we may in our sole and absolute discretion do the any of these things (or a combination of them) without your consent:

- A. enforce the CFD against you if you owe money to us under the CFD;
- B. treat the CFD as void from the outset if we owe money to you under the CFD, unless you provide us with conclusive evidence that you

haven't committed any breach of warranty, misrepresentation or breach of undertaking under the Agreements, within 30 days of us giving you notice under this clause;

- C. withhold any funds that we suspect have been made from these activities;
- D. make any corrections or adjustments to your Account;
- E. close your Account; and/or
- F. take any other action that we consider appropriate.

## 7. ELECTRONIC TRADING TERMS

- 7.1 Scope: These clauses apply to your use of any Electronic Services.
- 7.2 Access: Once you have gone through the security procedures associated with an Electronic Service provided by us, you will get access to such service, unless agreed otherwise or stated on our website. Please consult our website for more details on operating times. We may change our security procedures at any time and we will tell you of any new procedures that apply to you as soon as possible.
- 7.3 Restrictions on services provided: There may be restrictions on the number of Transactions that you can enter into on any one day and also in terms of the total value of those Transactions when using an Electronic Service. You acknowledge that some Markets place restrictions on the types of orders that can be directly transmitted to their electronic trading systems. These types of orders are sometimes described on synthetic orders. The transmission of synthetic orders to the Market is dependent upon the accurate and timely receipt of prices or quotes from the relevant Market or market data provider. You acknowledge that a Market may cancel a synthetic order when upgrading its systems, trading screens may drop the record of such an order, and you enter such orders at your own risk.
- 7.4 Right Of Access: In respect of any Market to which we allow you to submit orders or receive information or data using Electronic Services, we may at any time or times, on reasonable notice (which, in certain circumstances, may be immediate) enter (or instruct our or the Market's subcontractors to enter) your premises and inspect your System to ensure that it complies with the requirements notified by us to you from time to time and that you are using Electronic Services in accordance with this Agreement and any requirements of any relevant Market or Applicable Regulations.
- 7.5 Access requirements: You will be responsible for providing the System to enable you to use an Electronic Service.
- 7.6 Virus detection: You will be responsible for the installation and proper use of any virus detection/scanning program we require from time to time.
- 7.7 Use of information, data and software: In the event that you receive any data, information or software via an Electronic Service other than that which you are entitled to receive pursuant to this Agreement, you will immediately notify us and will not use, in any way whatsoever, such data, information or software.
- 7.8 Maintaining standards: When using an Electronic Service, you must:
  - 7.8.1 ensure that the System is maintained in good order and is suitable for use with such Electronic Service;
  - 7.8.2 run such tests and provide such information to us as we shall reasonably consider necessary to establish that the System satisfies the requirements notified by us to you from time to time;
  - 7.8.3 carry out virus checks on a regular basis;
  - 7.8.4 inform us immediately of any unauthorised access to an Electronic Service or any unauthorised Transaction or instruction which you know of or suspect and, if within your control, cause such unauthorised use to cease; and
  - 7.8.5 not at any time leave the terminal from which you have accessed such Electronic Service or let anyone else use the terminal until you have logged off such Electronic Service.
- 7.9 System defects: In the event you become aware of a material defect, malfunction or virus in the System or in an Electronic Service, you will immediately notify us of such defect, malfunction or virus and cease all use of such Electronic Service until you have received permission from us to resume use.
- 7.10 Intellectual Property: All rights in patents, copyrights, design rights, trademarks and any other intellectual property rights (whether registered or unregistered) relating to the Electronic Services remain vested in us or our licensors. You will not copy, interfere with, tamper with, alter, amend or modify the Electronic Services or any part or parts thereof unless expressly permitted by us in writing, reverse compile or disassemble the Electronic

Services, nor purport to do any of the same or permit any of the same to be done, except in so far as such acts are expressly permitted by law. Any copies of the Electronic Services made in accordance with law are subject to the terms and conditions of this Agreement. You shall ensure that all the licensors' trademarks and copyright and restricted rights notices are reproduced on these copies. You shall maintain an up-to-date written record of the number of copies of the Electronic Services made by you. If we so request, you shall as soon as reasonably practical, provide to us a statement of the number and whereabouts of copies of the Electronic Services.

7.11 Liability and Indemnity: Without prejudice to any other terms of this Agreement, relating to the limitation of liability and provision of indemnities, the following clauses shall apply to our Electronic Services.

7.11.1 System errors: We shall have no liability to you for damage which you may suffer as a result of transmission errors, technical faults, malfunctions, illegal intervention in network equipment, network overloads, malicious blocking of access by third parties, internet malfunctions, interruptions or other deficiencies on the part of internet service providers. You acknowledge that access to Electronic Services may be limited or unavailable due to such system errors, and that we reserve the right upon notice to suspend access to Electronic Services for this reason.

7.11.2 Delays: Neither we nor any third-party software provider accepts any liability in respect of any delays, inaccuracies, errors or omissions in any data provided to you in connection with an Electronic Service.

7.11.3 Viruses from an Electronic Service: We shall have no liability to you (whether in contract or in tort, including negligence) in the event that any viruses, worms, software bombs or similar items are introduced into the System via an Electronic Service or any software provided by us to you in order to enable you to use the Electronic Service, provided that we have taken reasonable steps to prevent any such introduction.

7.11.4 Viruses from your System: You will ensure that no computer viruses, worms, software bombs or similar items are introduced into our computer system or

network and will indemnify us on demand for any loss that we suffer arising as a result of any such introduction.

7.11.5 Unauthorised use: We shall not be liable for any loss, liability or cost whatsoever arising from any unauthorised use of the Electronic Service. You shall on demand indemnify, protect and hold us harmless from and against all losses, liabilities, judgements, suits, actions, proceedings, claims, damages and costs resulting from or arising out of any act or omission by any person using an Electronic Service by using your designated passwords, whether or not you authorised such use.

7.11.6 Markets: We shall not be liable for any act taken by or on the instruction of a Market, clearing house or regulatory body.

7.12 Suspension or permanent withdrawal with notice: We may suspend or permanently withdraw an Electronic Service, by giving you 10 days written notice. We will notify you of this action by the medium specified in your account application. The following process would apply in relation to suspension and subsequent closure of your Account:

7.12.1 during the notice period (if any):

7.12.2 we will not close your open trades or limit / stop loss orders already placed (unless we are otherwise entitled to do so i.e. you request that we do so via telephone);

7.12.3 you will not be able to place any new trades or Orders nor to give any other instruction, except insofar as necessary to close a trade or to cancel an Order in place before the start of the notice period. In particular you will not be entitled to place a closing trade or any Order in such a size that would result in a new trade being opened;

7.12.4 all trades will be closed and all Orders cancelled on the same day that your Account is closed (or as soon as reasonably practicable thereafter);

7.12.5 all trades will be closed at the IMPERIAL MARKETS price;

7.12.6 we can effect closures at any time, but closure will generally be effected approximately one hour before the close of the Underlying or our trading hours for the Market in question;

7.12.7 once your Account has been closed you will no longer be entitled to place any trades or Orders or to otherwise deal on your Account.

- 7.13 Immediate suspension or permanent withdrawal: We have the right, unilaterally and with immediate effect, to suspend or withdraw permanently your ability to use any Electronic Service, or any part thereof, without notice, where we consider it necessary or advisable to do so, for example due to your non-compliance with the Applicable Regulations, breach of any provisions of this Agreement, on the occurrence of an Event of Default, network problems, failure of power supply, for maintenance, or to protect you when there has been a breach of security. In addition, the use of an Electronic Service may be terminated automatically, upon the termination (for whatever reason) of (i) any license granted to us which relates to the Electronic Service; or (ii) this Agreement. The use of an Electronic Service may be terminated immediately if an Electronic Service is withdrawn by any Market or we are required to withdraw the facility to comply with Applicable Regulations.
- 7.14 Effects of termination: In the event of a termination of the use of an Electronic Service for any reason, upon request by us, you shall, at our option, return to us or destroy all hardware, software and documentation we have provided you in connection with such Electronic Service and any copies thereof.
- 7.15 Idle Prices: We have an agency execution model and automatically cover all client positions with executing brokers and liquidity providers. On rare occasions the aggregated price feed which we provide to clients can become "idle". We reserve the right to reverse market or instant orders are executed where idle prices have been struck. These cases will be investigated by us and the client advised via e-mail or telephone where possible to notify the client of the trades being cancelled. We will always check to ensure that the reversal does not result in an unintended position being generated i.e. if the order is executed and subsequently reversed to open a position, any subsequent order(s) closing this position would also be reversed leaving the net P&L at zero so the client is not disadvantaged by this reversal due to our onward transmission of invalid prices.
- 7.16 Misquotes: We have an agency execution model and automatically cover all client positions with executing brokers and liquidity providers. Although we mitigate the risk of invalid prices feeds reaching clients through utilizing a price aggregation system which generates a price from multiple liquidity providers (typically in excess of 10 liquidity providers), there are rare occasions where the prices can become "skewed". In such rare instances if orders are filled at these prices, we reserve the right to reverse orders where idle prices have been struck. These cases will be investigated by us and the client advised via e-mail or telephone where possible to notify the client of the trades being cancelled. We will always check to ensure that the reversal does not result in an unintended position being generated i.e. if the order is executed and subsequently reversed to open a position, any subsequent order(s) closing this position would also be reversed leaving the net P&L at zero so the client is not disadvantaged by this reversal due to our onward transmission of invalid prices.
- 7.17 Stale quotes and misquotes policy: IMPERIAL MARKETS's quoted prices may on rare occasions become "stale" or "skewed". IMPERIAL MARKETS reserves the right to cancel orders executed on idle or skewed prices. IMPERIAL MARKETS will actively monitor/report and investigate such trading activity and in the event that trades are being cancelled will notify the client accordingly. IMPERIAL MARKETS will pursue the fair treatment of its Customers and will use its best endeavours to make sure cancellations are performed fairly and that the client is not disadvantaged by the cancellation i.e. no inadvertent positions are left open and the client's net position is in line with the client's positions at the time of correction.
- 7.18 Scalping and EAs policy:
- 7.18.1 In order to ensure the stability of the IMPERIAL MARKETS platforms and Products, Scalping strategies (we define "Scalping" as a method traders use where they open and close trades within 2 minutes for FX and Metals and 5 minutes for CFDs , and these Scalping trades constitute more than 25% of total trades) and EA strategies (an "EA" is an "Expert Advisor", which is add-on software linked to a Meta Trader currency platform, and allows for automatic trades under certain conditions) are allowed on special accounts only.
- 7.18.2 In order to make Scalping/EA trading available clients have to submit a request and acknowledge that they will confirm in advance that they wish to use scalping/EA during account opening or before starting to implement such a strategy. IMPERIAL MARKETS reserves the right to reverse orders that are executed using Scalping/EA methods on accounts that are not labeled as Scalping/EA accounts or where the necessary advance confirmation has not been given. IMPERIAL MARKETS will pursue the fair treatment of its Customers



and will use its best endeavours to make sure cancellations are performed fairly and that the client is not disadvantaged by the cancellation i.e. no inadvertent positions are left open and the client's net position is in line with the client's positions at the time of correction.

- 7.19 Please refer to the platform features on our website concerning how your deposits and Profit/Loss will be handled in relation to the base currency you select.

## **8. CLIENT MONEY**

- 8.1 The Company shall not be obliged to pay interest to the Customer on any funds which the Company holds. The Customer waives all rights to interest.
- 8.2 Segregation: The Company will promptly place any Segregated Funds held on the Customer's behalf and not transferred to or held for the Company, into a Segregated Account (subject to FSC Rules and Permissions).
- 8.3 Unless the Customer has notified the Company in writing to the contrary, the Company may hold Segregated Funds on the Customer's behalf in a Segregated Account or pass money held on the Customer's behalf to an intermediate broker, settlement agent or OTC counterparty located outside the BVI. The legal and regulatory regime applying to any such person will be different from that of the BVI and in the event of the insolvency or any other equivalent failure of that person, the Customer's money may be treated differently from the treatment which would apply if the money was held in a Segregated Account in the BVI. The Company will not be liable for the solvency, acts or omissions of any third party referred to in this clause.
- 8.4 The Customer agrees that, in the event that there has been no movement on the Customer's Trading Account Balance for a period of at least six years (notwithstanding any payments or receipts of charges, interest or similar items) and the Company is unable to trace the Customer despite having taken reasonable steps to do so, the Company may release any Customer's money balances from the Segregated Account.
- 8.5 Reconciliations: The Company will carry out reconciliations of records on a daily basis, and any required transfer to or from the Segregated Account will take place by the close of business of the business week that the reconciliation is performed. This reconciliation will include determining the amount of funds which will be held with outside of segregation with an Executing Broker(s) "Client

Transaction Account" for the purposes of daily P&L settlement, and to provide margin for trading the "active accounts". These monies are not treated as "Client Money" per the rules and regulations. All "inactive" account monies will be held in Segregation per the Client Money Rules as defined by the rules and regulations. The Company reserves the right to carry out such reconciliations and transfers more frequently, should the Company reasonably consider that this is necessary to protect the Company's or a Customer's interests.

## **9. MARGINING ARRANGEMENTS**

- 9.1 Contingent liability: Where we effect or arrange a Transaction involving an option, future or contract for differences you should note that, depending upon the nature of the Transaction, you may be liable to make further payments when the Transaction fails to be completed or upon the earlier settlement or closing out of your position. You will be required to make further variable payments by way of margin against the purchase price of the investment, instead of paying (or receiving) the whole purchase (or sale) price immediately. The movement in the market price of your investment will affect the amount of margin payment you will be required to make.
- 9.2 Margin call: You agree to pay us on demand such sums by way of margin as are required from time to time under the Rules of any relevant Market (if applicable) or as we may in our discretion reasonably require for the purpose of protecting ourselves against loss or risk of loss on present, future or contemplated Transactions under this Agreement.
- 9.3 Failure to meet margin call: Please note that in the event that you fail to meet a margin call, we may close out the position unless we have previously granted you a loan or credit in accordance with Applicable Regulations.
- 9.4 Form of margin: Unless otherwise agreed, margin must be paid in cash. The currency of the cash margin you pay to us shall be the currency of the relevant underlying Transaction (if applicable) or as we may in our discretion reasonably decide from time to time. Cash margin is paid to us as an outright transfer of title and you will not retain any interest in it. Cash margin received by us will be recorded by us as a cash repayment obligation owed by us to you.
- 9.5 Non-cash margin: Where we agree to accept non-cash collateral, it must be in a form acceptable to us. The value of the non-cash collateral and the proportion of that value to be taken into account for margin purposes shall be determined by us in our absolute discretion.

9.6 Set-off on default: If there is an Event of Default or this Agreement terminates, we shall set-off the balance of cash margin owed by us to you against your obligations (as reasonably valued by us) to us. The net amount, if any, payable between us following such set-off, shall take into account the Liquidation Amount payable under the Clause headed "Netting" of this Agreement.

## **10. REPRESENTATIONS, WARRANTIES AND COVENANTS**

11.1 Representations and warranties: You represent and warrant to us on the date this Agreement comes into effect and as of the date of each Transaction that:

- 10.1.1 you have reached the age of 18 years or over and have full capacity to enter into this Agreement;
- 10.1.2 you have all necessary authority, powers, consents, licenses and authorizations and have taken all necessary action to enable you lawfully to enter into and perform this Agreement and such Transaction and to grant the security interests and powers referred to in this Agreement;
- 10.1.3 the persons entering into this Agreement and each Transaction on your behalf have been duly authorised to do so;
- 10.1.4 this Agreement, each Transaction and the obligations created under them both are binding upon you and enforceable against you in accordance with their terms (subject to applicable principles of equity) and do not and will not violate the terms of any regulation, order, charge or agreement by which you are bound;
- 10.1.5 no Event of Default or any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination of the above) an Event of Default (a "Potential Event of Default") has occurred and is continuing with respect to you or any Credit Support Provider;
- 10.1.6 you act as principal and sole beneficial owner (but not as trustee) in entering into this Agreement and each Transaction;
- 10.1.7 any information which you provide or have provided to us in respect of your financial position, domicile or other matters is accurate and not misleading in any material respect;
- 10.1.8 you are willing and financially able to sustain a total loss of funds resulting from Transactions;
- 10.1.9 your trading will not be part of or relate to a "tax shelter" and that in this regard you have

sought and received independent tax advice from a competent licensed tax professional;

- 10.1.10 except as otherwise agreed by us, you are the sole beneficial owner of all margin you transfer under this Agreement, free and clear of any security interest whatsoever other than a lien routinely imposed on all securities in a clearing system in which such securities may be held.

11.2 Covenants: You covenant to us that:

- 10.2.1 You will at all times obtain and comply, and do all that is necessary to maintain in full force and effect, all authority, powers, consents, licenses and authorizations referred to in this clause;
- 10.2.2 You will promptly notify us of the occurrence of any Event of Default or Potential Event of Default with respect to yourself or any Credit Support Provider;
- 10.2.3 You will use all reasonable steps to comply with all Applicable Regulations in relation to this Agreement and any Transaction, so far as they are applicable to you or us;
- 10.2.4 You will not send orders or otherwise take any action that could create a false impression of the demand or value for a security financial instrument, or send orders which you have reason to believe are in breach of Applicable Regulations. You shall observe the standard of behavior reasonably expected of persons in your position and not take any step which would cause us to fail to observe the standard of behavior reasonably expected of persons in our position; and
- 10.2.5 Upon demand, you will provide us with such information as we may reasonably require to evidence the matters referred to in this clause or to comply with any Applicable Regulations.

## **11. IRREGULAR/ILLEGAL TRADING DEFINITIONS AND PRACTICES**

- 11.1 Irregular/Illegal trading definitions and practices include but are not limited to:
- Using one or more trading accounts to opening hedged transactions and setting the Limit price to hedge positions around economic data releases.
  - Using one or more trading accounts for bilateral Stop Loss pending orders (Buy Stop Loss and Sell Stop Loss) around economic data releases.

- Using two or more trading accounts to open or close positions against each other, and hedging transactions in the form of hedging or locked positions.
- Trading accounts using the delay or leakage of trading platform data to make profits. Such trading accounts often open and closed positions in a short period of time and exhibits abnormal trading volume changes in a short period of time.
- Using malicious software or plug-ins to affect the functionality of the trading platform.

- 11.2 The above does not represent the full definition of Irregular/Illegal trading. We will amend and adjust the relevant rules from time to time.
- 11.3 If IMPERIAL MARKETS's Compliance Department suspects any irregular or illegal activity on any trading account, the transactions in question will be immediately determined as invalid or cancelled. In addition, the trading account's funds may be frozen, and there will be an investigation that may take up to 30 business days.
- 11.4 IMPERIAL MARKETS reserves the right to close some or all transactions, limit the number of open positions, close some or all open positions, and accept, modify, cancel or reject orders. In the most cases, IMPERIAL MARKETS reserves the right to close positions without the client's consent. As a result, the client may not be able to predict or control when CFD orders will be liquidated.
- 11.5 If it is confirmed that irregular/illegal trading has occurred, IMPERIAL MARKETS has the right to terminate the trading account immediately, and return the balance of the account back to the Client, excluding any profits arising from irregular/illegal transactions.
- 11.6 IMPERIAL MARKETS retains the right of the final interpretation of what constitutes irregular and/or illegal trading.

## 12. EVENTS OF DEFAULT

- 12.1 Events of Default: The following shall constitute Events of Default:
- 12.1.1 you fail to make any payment when due under this Agreement or to make or take delivery of any property when due under, or to observe or perform any other provision of this Agreement and such failure continues for one Business Day after notice of non-performance has been given by the Non-Defaulting Party to the Defaulting Party;
- 12.1.2 you commence a voluntary case or other procedure seeking or proposing liquidation,

reorganization, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to you, if insolvent), or seeking the appointment of a trustee, receiver, liquidator, conservator, administrator, custodian or other similar official (each a "Custodian") of you or any substantial part of your assets, or if you take any corporate action to authorise any of the foregoing, and in the case of a reorganization, arrangement or composition, we do not consent to the proposals;

- 12.1.3 an involuntary case or other procedure is commenced against you seeking or proposing liquidation, reorganization, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to you, if insolvent) or seeking the appointment of a Custodian of you or any substantial part of your assets and such involuntary case or other procedure either (a) has not been dismissed within five days of its institution or presentation or (b) has been dismissed within such period but solely on the grounds of an insufficiency of assets to cover the costs of such case or other procedure;

- 12.1.4 you die, become of unsound mind, are unable to pay your debts as they fall due or are bankrupt or insolvent, as defined under any bankruptcy or insolvency law applicable to you; or any indebtedness of yours is not paid on the due date therefore, or becomes capable at any time of being declared, due and payable under agreements or instruments evidencing such indebtedness before it would otherwise have been due and payable, or any suit, action or other proceedings relating to this Agreement are commenced for any execution, any attachment or garnishment, or distress against, or an encumbrancer takes possession of, the whole or any part of your property, undertaking or assets (tangible and intangible);

- 12.1.5 you or any Credit Support Provider (or any Custodian acting on behalf of either of you or a Credit Support Provider) disaffirms, disclaims or repudiates any obligation under this Agreement or any guarantee, hypothecation agreement, margin or security agreement or document, or any other document containing an obligation of a third party ("Credit Support Provider"), or of you, in favour of us supporting any of your obligations under this Agreement (each a "Credit Support Document");
- 12.1.6 any representation or warranty made or given or deemed made or given by you under this Agreement or any Credit Support Document proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given;
- 12.1.7 (i) any Credit Support Provider fails, or you yourself fail to comply with or perform any agreement or obligation to be complied with or performed by you or it in accordance with the applicable Credit Support Document; (ii) any Credit Support Document expires or ceases to be in full force and effect prior to the satisfaction of all your obligations under this Agreement, unless we have agreed in writing that this shall not be an Event of Default; (iii) any representation or warranty made or given or deemed made or given by any Credit Support Provider pursuant to any Credit Support Document proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given; or (iv) any event referred to in paragraphs (b) to (d) or (h) of this sub-clause occurs in respect of any Credit Support Provider;
- 12.1.8 you are dissolved, or, if your capacity or existence is dependent upon a record in a formal register, the registration is removed or ends, or any procedure is commenced seeking or proposing your dissolution, removal from such a register, or the ending of such a registration;
- 12.1.9 where you or your Credit Support Provider is a partnership, any of the events referred to in paragraphs (b) to (d) or (h) of sub-clause 1 of this clause occurs in respect of one or more of your or its partners;
- 12.1.10 we consider it necessary or desirable to prevent what we consider is or might be a

violation of any Applicable Regulation or good standard of market practice;

- 12.1.11 we consider it necessary or desirable for our own protection or any action is taken or event occurs which we consider might have a material adverse effect upon your ability to perform any of your obligations under this Agreement;
- 12.1.12 any event of default (however described) occurs in relation to you under any other agreement between us which you are a party to or any other event specified for these purposes in the Individually Agreed Terms Schedule or otherwise occurs.

### 13. NETTING

- 13.1 Rights on Default: On the occurrence of an Event of Default, we may exercise our rights under this clause, except that, if so specified by us in the Individually Agreed Terms Schedule or otherwise, in the case of the occurrence of any Event of Default specified in paragraphs (b) or (c) of the definition of Events of Default (each a "Bankruptcy Default"), the automatic termination provision of this clause shall apply.
- 13.2 Liquidation Date: Subject to the following sub-clause, at any time following the occurrence of an Event of Default, we may, by notice to you, specify a date (the "Liquidation Date") for the termination and liquidation of Netting Transactions in accordance with this clause.
- 13.3 Automatic termination: Where so specified in the Individually Agreed Terms Schedule, the date of the occurrence of any Bankruptcy Default shall automatically constitute a Liquidation Date, without the need for any notice by us and the provisions of the following sub-clause shall then apply.
- 13.4 Calculation of Liquidation Amount: Upon the occurrence of a Liquidation Date:
- 13.4.1 neither of us shall be obliged to make any further payments or deliveries under any Netting Transactions which would, but for this clause, have fallen due for performance on or after the Liquidation Date and such obligations shall be satisfied by settlement (whether by payment, set-off or otherwise) of the Liquidation Amount;
- 13.4.2 we shall (on, or as soon as reasonably practicable after, the Liquidation Date) determine (discounting if appropriate), in respect of each Netting Transaction referred to in paragraph (a) the total cost, loss or, as the case may be, gain, in each case

- expressed in the Base Currency specified by us as such in the Individually Agreed Terms Schedule or otherwise in writing or, failing any such specification, the lawful Currency of the BVI (and, if appropriate, including any loss of bargain, cost of funding or, without duplication, cost, loss or, as the case may be, gain as a result of the termination, liquidation, obtaining, performing or re-establishing of any hedge or related trading position) as a result of the termination, pursuant to this Agreement, of each payment or delivery which would otherwise have been required to be made under such Netting Transaction (assuming satisfaction of each applicable condition precedent and having due regard, if appropriate, to such market quotations published on, or official settlement prices set by the relevant Market as may be available on, or immediately preceding, the date of calculation); and
- 13.4.3 we shall treat each cost or loss to us, determined as above, as a positive amount and each gain by us, so determined, as a negative amount and aggregate all of such amounts to produce a single, net positive or negative amount, denominated in the Base Currency (the "Liquidation Amount").
- 13.5 Payer: If the Liquidation Amount determined pursuant to this clause is a positive amount, you shall pay it to us and if it is a negative amount, we shall pay it to you. We shall notify you of the Liquidation Amount, and by whom it is payable, immediately after the calculation of such amount.
- 13.6 Other transactions: Where termination and liquidation occur in accordance with this clause, we shall also be entitled, at our discretion, to terminate and liquidate, in accordance with the provisions of this clause, any other transactions entered into between us which are then outstanding.
- 13.7 Payment: The Liquidation Amount shall be paid in the Base Currency by the close of business on the Business Day following the completion of the termination and liquidation under this clause (converted as required by applicable law into any other currency, any costs of such conversion to be borne by you, and (if applicable) deducted from any payment to you). Any Liquidation Amount not paid on the due date shall be treated as an unpaid such amount and bear interest, at the average rate at which overnight deposits in the currency of such payment are offered by major banks in the London interbank market as of 11.00 am (London time) (or, if no such rate is available, at such reasonable rate as we may select) one 1% per annum for each day for which such amount remains unpaid.
- 13.8 Base Currency: For the purposes of any calculation hereunder, we may convert amounts denominated in any other currency into the Base Currency at such rate prevailing at the time of the calculation as we shall reasonably select.
- 13.9 Payments: Unless a Liquidation Date has occurred or has been effectively set, we shall not be obliged to make any payment or delivery scheduled to be made by us under a Netting Transaction for as long as an Event of Default or any event which may become (with the passage of time, the giving of notice, the making of any determination hereunder, or any combination thereof) an Event of Default with respect to you has occurred and is continuing.
- 13.10 Additional rights: Our rights under this clause shall be in addition to, and not in limitation or exclusion of, any other rights which we may have (whether by agreement, operation of law or otherwise).
- 13.11 Application of netting to Netting Transactions: Subject to the Individually Agreed Terms Schedule, this clause applies to each Netting Transaction entered into or outstanding between us on or after the date this Agreement takes effect.
- 13.12 Single agreement: This Agreement, the particular terms applicable to each Netting Transaction, and all amendments to any of them shall together constitute a single agreement between us. We both acknowledge that all Netting Transactions entered into on or after the date this Agreement takes effect are entered into in reliance upon the fact that the Agreement and all such terms constitute a single agreement between us.
- 13.13 Other agreements: Subject to sub-clause 6 of this clause, the provisions of this clause shall not apply to any Transaction which is subject to liquidation and termination under another agreement. However, any sum resulting from a liquidation and termination under another agreement, may be set-off against the Liquidation Amount.

#### **14. RIGHTS ON DEFAULT**

- 14.1 Default: On an Event of Default or at any time after we have determined, in our absolute discretion, that you have not performed (or we reasonably believe that you will not be able or willing in the future to perform) any of your obligations to us, in addition to any rights under the Netting Clause we shall be entitled without prior notice to you:
- 14.1.1 instead of returning to your investments equivalent to those credited to your account, to pay to you the fair market value of such

investments at the time we exercise such right, and/or

- 14.1.2 to sell such of your investments as are in our possession or in the possession of any nominee or third party appointed under or pursuant to this Agreement, in each case as we may in our absolute discretion select or and upon such terms as we may in our absolute discretion think fit (without being responsible for any loss or diminution in price) in order to realize funds sufficient to cover any amount due by you hereunder, and/or
- 14.1.3 to close out, replace or reverse any Transaction, buy, sell, borrow or lend or enter into any other Transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at our sole discretion, we consider necessary or appropriate to cover, reduce or eliminate our loss or liability under or in respect of any of your contracts, positions or commitments.

## 15. TERMINATION WITHOUT DEFAULT

- 15.1 Termination: Unless required by Applicable Regulations, either party may terminate this Agreement (and the relationship between us) by giving ten days written notice of termination to the other. We may terminate this Agreement immediately if you fail to observe or perform any provision of this Agreement or in the event of your insolvency other than in the case of force majeure. Upon terminating this Agreement, all amounts payable by you to us will become immediately due and payable including (but without limitation):
  - 15.1.1 all outstanding fees, charges and commissions; and
  - 15.1.2 any dealing expenses incurred by terminating this Agreement; and
  - 15.1.3 any losses and expenses realized in closing out any Transactions or settling or concluding outstanding obligations incurred by us on your behalf
- 15.2 Existing rights: Termination shall not affect then outstanding rights and obligations (in particular relating to the Indemnities and Limitation of Liability Clause and the Miscellaneous and Governing Law Clause) and Transactions which shall continue to be governed by this Agreement and the particular clauses agreed between us in relation to such Transactions until all obligations have been fully performed.

## 16. EXCLUSIONS, LIMITATIONS AND INDEMNITY

- 16.1 General Exclusion: Neither we nor our directors, officers, employees, or agents shall be liable for any losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, incurred or suffered by you under this Agreement (including any Transaction or where we have declined to enter into a proposed Transaction) unless such loss is a reasonably foreseeable consequence or arises directly from our or their respective gross negligence, willful default or fraud. In no circumstance, shall we have liability for losses suffered by you or any third party for any special or consequential damage, loss of profits, loss of goodwill or loss of business opportunity arising under or in connection with this Agreement, whether arising out of negligence, breach of contract, misrepresentation or otherwise. Nothing in this Agreement will limit our liability for death or personal injury resulting from our negligence.
- 16.2 Tax implications: Without limitation, we do not accept liability for any adverse tax implications of any Transaction whatsoever.
- 16.3 Changes in the market: Without limitation, we do not accept any liability by reason of any delay or change in market conditions before any particular Transaction is affected.
- 16.4 Limitation of Liability: We shall not be liable to you for any partial or non-performance of our obligations hereunder by reason of any cause beyond our reasonable control, including without limitation any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, industrial action, act of terrorism, act of God, acts and regulations of any governmental or supra national bodies or authorities or the failure by the relevant intermediate broker or agent, agent or principal of our custodian, sub-custodian, dealer, Market, clearing house or regulatory or self-regulatory organisation, for any reason, to perform its obligations. Nothing in this Agreement will exclude or restrict any duty or liability we may have to you under the regulatory system (as defined in the BVI Regulatory Code 2009), which may not be excluded or restricted thereunder.
- 16.5 Responsibility for orders: You will be responsible for all orders entered on your behalf via an Electronic Service and you will be fully liable to us for the settlement of any Transaction arising from it.

- 16.6 Entire Agreement: You acknowledge that you have not relied on or been induced to enter into this Agreement by a representation other than those expressly set out in this Agreement. We will not be liable to you for a representation that is not set out in this Agreement and that is not fraudulent.
- 16.7 Indemnity: You shall pay to us such sums as we may from time to time require in or towards satisfaction of any debit balance on any of your accounts with us and, on a full indemnity basis, any losses, liabilities, costs or expenses (including legal fees), taxes, imposts and levies which we may incur or be subjected to with respect to any of your accounts or any Transaction or any matching Transaction on a Market or with an intermediate broker or as a result of any misrepresentation by you or any violation by you of your obligations under this Agreement (including any Transaction) or by the enforcement of outrights.

## 17. MISCELLANEOUS

- 17.1 Amendments: We have the right to amend this Agreement without obtaining your prior consent unless required by any Applicable Regulations. If we make any material change to this Agreement, we will give at least ten business days' notice to you. Such amendment will become effective on the date specified in the notice. Any other amendment must be agreed in writing between us. Unless otherwise agreed, an amendment will not affect any outstanding order or Transaction or any legal rights or obligations which may already have arisen.
- 17.2 Notices: Unless otherwise agreed, all notices, instructions and other communications to be given by us under this Agreement shall be given to the email address provided by you to us. Likewise, all notices, instructions and other communications to be given by you under this Agreement shall be given to the email address (in the Individually Agreed Terms Schedule) and/or by notice in writing by either party. You will notify us of any change of your email address in accordance with this clause.
- 17.3 Electronic Communications: Subject to Applicable Regulations, any communication between us using electronic signatures shall be binding as if it were in writing. Orders or instructions given to you via email or other electronic means will constitute evidence of the orders or instructions given.
- 17.4 Recording of calls: We may record telephone conversations without use of a warning tone to ensure that the material terms of the Transaction, and any other material information relating to the Transaction is promptly and accurately recorded.
- Such records will be our sole property and accepted by you as evidence of the orders or instructions given.
- 17.5 Our records: Our records, unless shown to be wrong, will be evidence of your dealings with us in connection with our services. You will not object to the admission of our records as evidence in any legal proceedings because such records are not originals, are not in writing or are documents produced by a computer. You will not rely on us to comply with your record keeping obligations, although records may be made available to you on request at our absolute discretion.
- 17.6 Your records: You agree to keep adequate records in accordance with Applicable Regulations to demonstrate the nature of orders submitted and the time at which such orders are submitted.
- 17.7 Complaints procedure: We are obliged to put in place internal procedures for handling complaints fairly and promptly. You may submit a complaint to us, for example by letter, telephone, e-mail, or in person. We will send you a written acknowledgement of your complaint promptly following receipt, enclosing details of our complaint's procedures. Please contact us if you would like further details regarding our complaint's procedures.
- 17.8 Third Party Rights: This Agreement shall be for the benefit of and binding upon us both and our respective successors and assigns. You shall not assign, charge or otherwise transfer or purport to assign, charge or otherwise transfer your rights or obligations under this Agreement or any interest in this Agreement, without our prior written consent, and any purported assignment, charge or transfer in violation of this clause shall be void. A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999.
- 17.9 Time of essence: Time shall be of the essence in respect of all obligations of yours under this Agreement (including any Transaction).
- 17.10 Rights and remedies: The rights and remedies provided under this Agreement are cumulative and not exclusive of those provided by law. We shall be under no obligation to exercise any right or remedy either at all or in a manner or at a time beneficial to you. No failure by us to exercise or delay by us in exercising any of our rights under this Agreement (including any Transaction) or otherwise shall operate as a waiver of those or any other rights or remedies. No single or partial exercise of a right or remedy shall prevent further exercise of that right or remedy or the exercise of another right or remedy.

- 17.11 Set-off: Without prejudice to any other rights to which we may be entitled, we may at any time and without notice to you set off any amount (whether actual or contingent, present or future) owed by you to us against any amount (whether actual or contingent, present or future) owed by us to you. For these purposes, we may ascribe a commercially reasonable value to any amount which is contingent or which for any other reason is unascertained.
- 17.12 Partial invalidity: If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

## 18. GOVERNING LAW AND JURISDICTION

- 18.1 Governing law: A Transaction which is subject to the Rules of a Market shall be governed by the law applicable to it under those Rules. Subject thereto, this Agreement shall be governed by and construed in accordance with BVI law.
- 18.2 Law applicable to relationship prior to the conclusion of the Agreement: The law applicable to the relationship between us prior to the conclusion of this Agreement is BVI law.
- 18.3 Jurisdiction: Each of the parties irrevocably:
- 18.3.1 agrees for our benefit that the courts of the BVI shall have jurisdiction to settle any suit, action or other proceedings relating to this Agreement ("Proceedings") and irrevocably submits to the jurisdiction of such courts (provided that this shall not prevent us from bringing an action in the courts of any other jurisdiction); and
- 18.3.2 waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court and agrees not to claim that such Proceedings have been brought in an inconvenient forum or that such court does not have jurisdiction over it.
- 18.4 Waiver of immunity and consent to enforcement: You irrevocably waive to the fullest extent permitted by applicable law, with respect to yourself and your revenue and assets (irrespective of their use or intended use) all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any courts, (iii) relief by way of injunction, order for specific performance or for

recovery of property, (iv) attachment of assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which you or your revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agree that you will not claim any immunity in any Proceedings. You consent generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

## 19. INTERPRETATION

- 19.1 Interpretation: In this Agreement:
- 19.2 "Applicable Regulations" means:
- 19.1.1 FSC Rules or any other rules of a relevant regulatory authority;
- 19.1.2 the Rules of the relevant Market; and
- 19.1.3 all other applicable laws, rules and regulations as in force from time to time;
- 19.3 General interpretation: A reference in this Agreement to a "clause" or "Schedule" shall be construed as a reference to, respectively, a clause or Schedule of this Agreement, unless the context requires otherwise. References in this Agreement to any statute or statutory instrument or Applicable Regulations include any modification, amendment, extension or re-enactment thereof. A reference in this Agreement to "document" shall be construed to include any electronic document. The masculine includes the feminine and the neuter and the singular includes the plural and vice versa as the context admits or requires. Words and phrases defined in the FSC's Rules have the same meaning in this Agreement unless expressly defined in this Agreement.
- 19.4 Schedules: The clauses contained in the attached Schedule(s) (as amended from time to time) shall apply. We may from time to time send to you further Schedules in respect of Markets or Transactions. In the event of any conflict between the clauses of any Schedule and this Agreement, the clauses of the Schedule shall prevail. The fact that a clause is specifically included in a Schedule in respect of one Market or Transaction shall not preclude a similar clause being expressed or implied in relation to any other Market or Transaction.
- 19.5 Headings: Headings are for ease of reference only and do not form part of this Agreement.



"Associate" means an undertaking in the same group as us, a representative whom we or an undertaking in the same group as us appoint, or any other person with whom we have a relationship that might reasonably be expected to give rise to a community of interest between us and them;

"Business Day" means a day which is not a Saturday or a Sunday and upon which banks are open for business in the BVI;

"Credit Support Provider" means any person who has entered into any guarantee, hypothecation, agreement, margin or security agreement in our favour in respect of your obligations under this Agreement;

"Electronic Services" means a service provided by us, for example an internet trading service offering clients access to information and trading facilities, via an internet service, a WAP service and/or an electronic order routing system.

"Event of Default" means any of the events of default as listed in paragraphs (a) to (I) of sub-clause 1 of the Clause headed "Events of Default";

"FSC Rules" means the rules contained in the Handbook of Rules and Guidance produced by the BVI FSC as from time to time in force (as varied by any waiver, dispensations or individual guidance granted by the BVI FSC and applicable to IMPERIAL MARKETS);

"Netting Transaction" means a Transaction which is intended to be subject to the clause entitled "Netting" and for such purposes is identified as a "Netting Transaction" in the Individually Agreed Terms Schedule or by its own terms;

"Rules" means articles, rules, regulations, procedures and customs, as in force from time to time; and

"System" means all computer hardware and software, equipment, network facilities and other resources and facilities needed to enable you to use an Electronic Service.

"Transaction" means any transaction subject to this Agreement, and includes:

- (i) a contract made on a Market or pursuant to the Rules of a Market;
- (ii) contract which is subject to the Rules of a Market;
- (iii) a contract which would (but for its term to maturity only) be a contract made on, or subject to the Rules of a Market and which, at the appropriate time, is to be submitted for clearing as a contract made on, or subject to the Rules of a Market; in any of cases (i), (ii) and (iii) being a future, option, contract for differences, spot or forward contract of any kind in relation to any commodity, metal, financial instrument (including any security), currency, interest rate, index or any combination thereof;

(iv) a transaction which is matched with any transaction within paragraph (i), (ii) or (iii) of this definition; or

(v) any other transaction which we both agree, in any specific Clause, the Individually Agreed Terms Schedule or otherwise, shall be a Transaction.

## **BEST EXECUTION AND ORDER EXECUTION SCHEDULE**

IMPERIAL SOLUTIONS LTD ('IMPERIAL MARKETS') is required to implement an Order Execution Policy and a Best Execution Policy in order to obtain the best results for its clients. The aim of this document is to provide our clients with the appropriate details of these policies in accordance with the rules and regulation requirements and in order to extend to our clients a transparent overview to our business practices.

IMPERIAL MARKETS has put in place Order Execution Policy and Best Execution Policy with a view to provide the best possible results to our clients depending upon the circumstances and market conditions on a best endeavour basis. These policies take into consideration the relevant execution factors with due diligence paid to their comparative importance.

### **BEST EXECUTION**

#### **1. Scope**

IMPERIAL MARKETS understands there to be a duty of Best Execution owed to the client when orders are executed having arisen from either contractual or agency obligations, on the client's behalf. The duty is not owed when IMPERIAL MARKETS offers prices at which it will be prepared to buy or sell nor when IMPERIAL MARKETS provide a quote in answer to such a request.

#### **2. Discretion**

The general market understanding is that the best possible results for a client would be determined by the price and/or the liquidity of the market. However, IMPERIAL MARKETS may decide, in their absolute discretion, that in certain circumstances, other factors e.g. the need for timely executions of the order are more important in determining the best possible results. This may depend on the type of order, the financial instrument or the market involved.

### **ORDER EXECUTION**

#### **3. Order Capture**

IMPERIAL MARKETS will endeavour to execute the order received in a prompt, fair and expeditious manner, ensuring that potential conflicts of interest between clients or between the client and IMPERIAL MARKETS are managed effectively. Where there is a lapse of time between IMPERIAL MARKETS's first quote and the client's

acceptance which causes delay or in the case that the market conditions have changed, IMPERIAL MARKETS will still be within its rights to execute the order; provided the quote is not significantly out of date and that it still would have met the best execution requirements.

#### **4. Order Handling**

IMPERIAL MARKETS records and executes otherwise comparable orders sequentially and timed to coincide with receipt of the order unless the characteristics of the order or market conditions make it impractical to do so; or if the client's interests demand otherwise. Orders received in a different media cannot be termed otherwise comparable.

#### **5. Order Allocation**

Depending upon the circumstances, market conditions and order size, IMPERIAL MARKETS may aggregate the client order with those of other clients or transactions on behalf of IMPERIAL MARKETS. This aggregation is not considered to compromise the client interest although some disadvantage, in relation to a particular order, may occur. In the case of such aggregated orders being partially executed, IMPERIAL MARKETS will allocate the executed orders in terms of its Order Allocation Policy.

#### **6. Execution Venues**

IMPERIAL MARKETS executes client orders at various execution venues. Selecting the execution venues to provide the best execution for the client requires consideration of the relative importance of the execution factors depending upon the characteristics of:

- The client order;
- The financial instrument involved;
- The execution venues and;
- The client classification.

The execution factors that IMPERIAL MARKETS consider are:

- Price;
- Costs;
- Speed of Execution;
- Probability of execution and settlement;
- Size of order;
- Nature of order and;
- Other relevant consideration to the execution of the order.

IMPERIAL MARKETS monitor the execution venues and other execution arrangements regularly for their effectiveness and consistency in providing best results.

#### **7. Methods of Execution**

Depending upon circumstances, IMPERIAL MARKETS may execute orders outside Regulated Markets or Multi-Lateral Trading Facilities ('MTFs'). IMPERIAL MARKETS believes restricting the execution of orders to

Regulated Markets and MTFs may adversely affect the quality of the execution and liquidity. By signing this agreement, you expressly consent to our executing your orders outside Regulated Markets and MTFs.

#### **8. Client Limit Orders**

We are required to publish limit orders given by you should we not be able to execute your order immediately.

#### **9. Specific Client Instructions**

Where you provide IMPERIAL MARKETS with specific instructions in relation to your entire order, or any aspect of your order, for example a preferred execution venue, IMPERIAL MARKETS will execute your order in accordance with your instructions, and to that extent IMPERIAL MARKETS will not owe you a duty of best execution. To the extent that your specific instructions relate to only one or some aspects of the order, IMPERIAL MARKETS will determine any unspecified aspects in accordance with its Order Execution Policy. You should be aware that where you provide IMPERIAL MARKETS with specific instructions in relation to the execution of your order, you may prevent IMPERIAL MARKETS from following some or all of the steps in our Order Execution Policy to obtain the best possible result for you in respect to those aspects affected by your instructions.

While we take all reasonable steps based on the resources available to us and depending upon the market conditions and circumstances as then prevalent to enable us to provide best possible results to you, we cannot guarantee that we will always be able to provide best execution to each and every order executed on your behalf particularly where you give us specific instructions as to all or part of your order.

#### **10. IMPERIAL MARKETS's Commitment**

IMPERIAL MARKETS's commitment to provide you with Best Execution does not mean that we owe you any fiduciary responsibility over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

#### **11. Client Consent**

We are required to obtain your consent to our Best Execution Policy and other matters as outlined above. We will consider that you have consented to agreeing such Best Execution Policy by your placing an order with us on, or after the publishing date of these Terms and Conditions.

We are however required to obtain your express consent for execution of your order outside Regulated Markets or MTFs and for exercising our judgement in the matter of publishing your Limit Orders.