
PERCENTAGE ALLOCATION MASTER MODULE

Regulations

1. PAMM TERMS

1.1. These Percentage Allocation Master Module Regulations (hereinafter referred to as “PAMM Terms”), jointly with Customer Agreement and/or Terms of Business related to the particular type of account include all the provisions and conditions in respect of PAMM Service (hereinafter referred to as “PAMM Service” or “PAMM” – in respect of the PAMM Service usage by the particular Master and Follower (-s)). Reading and understanding all of the above documents is a mandatory requirement in order to access this service. The Customer’s registration as a Master or a Follower will be considered by the Company as official confirmation that all documents were read, understood and accepted.

1.2. PAMM is not an asset management tool. It is a technical opportunity for one Customer (hereinafter referred to as “Follower Account Holder - Follower”) to get access to the services provided by the other Customer (hereinafter referred to as “Master Account Holder - Master”) which constitute the possibility to follow Master’s trading strategies. Master operates his personal funds through the PAMM, and by the mean of PAMM technology Master’s trading strategy is replicated on the Follower’s Account.

1.3. PAMM technology involves virtual merging of Master’s and Follower’s funds. The funds devoted to be engaged in PAMM by both Master and Follower became invisible in the respective Master’s or Follower’s Customer Accounts, though fiscally the funds are segregated but remain on the same accounts in question and are not deducted. Such technology is established for the purposes of identical market conditions application while execution of trading signals to all PAMM participants as well as to prevent the funds devoted to be engaged in PAMM to be used for Master’s or Follower’s trading on their personal Customers Accounts and related margin calculation. Considering MT4 Platform technical and software opportunities certain terms used herein or within the PAMM software may mislead the PAMM participants. For the removable of doubts all wording in these PAMM Terms connected with crediting/debiting/depositing/transferring/withdrawing of funds (except for the cases of profit/loss, commissions, penalties or remuneration distribution) shall be interpret as “assignment of funds”, “revocation of funds” and “rebalancing” respectively with strict accordance to this clause.

1.4. The Follower voluntarily, at his own risk, selects the Master pursuant to a public Master Offer. All decisions regarding acceptance or rejection of the particular Master Offer are of personal matter for each potential Follower and are made without any recommendation/solicitation provided by the Company.

1.5. Acceptance of the Masters Offer confirms that the Follower understands and accepts the risks associated with trading in OTC FOREX market on leveraged basis, which has been separately disclosed to him as part of the Company’s standard account opening procedure. The Follower hereby agrees and confirms that the Company is not and will not guarantee the recurrence of rates of return that have been made by the Master.

1.6. The Master is the only person who can operate the PAMM providing full compliance with these PAMM Terms. The Company will reject all claims issued by Followers in respect to the Master's failure to comply with any Follower's recommendations.

1.7. The Follower has no right to any complaints in respect of the trading operations conducted in the PAMM. The Master, according to procedures set by the Company, is the only person authorised to submit a complaint related to any improper performance of Customer Agreement and/or Terms of Business for consideration. The complaint must be submitted in accordance with the respective procedure for handling complaints set forth in complaints policy.

1.8. The Company reserves the right to terminate the provision of the PAMM in respect of any Master at any time and upon its sole discretion. The Company may reject any request issued by either Master or Follower or both to provide reasons or any clarification for such decision. Such a decision cannot be used or interpreted by Customers or any third person as a fact which can harm the Company, its employees, affiliates or owners.

1.9. Unless agreed otherwise, all the documents submitted by one party to the other party hereto by any means of delivery will be considered only if there is a possibility of accurate authentication of the sender. These PAMM Terms define the following means of communication:

- ..a. Email;
- ..b. Internal mailing system of the trading terminal;
- ..c. Publications on the PAMM website.

1.10. All Trading Reports specifying Master's operations on the PAMM will be published in the PAMM website -> Main Menu -> Follower Section within the intervals determined by the Master.

1.11. All the terms and definitions are provided in the Glossary attached hereto. All terms used and not defined in the Glossary shall be interpreted in accordance with the respective Customer Agreement.

2. PAMM

2.1. PAMM Service is usage of the software solution that is devoted to process the replication of trading strategies as set by the Master to one or more Follower Accounts and to automate profit/loss, remunerations and penalties distribution.

2.2. PAMM software solution includes the following:

2.2.2.2.1. PAMM Quasi Master and Follower Accounts formation within the Master and Follower Customer Accounts in order to segregate the funds assigned to participate in the PAMM. The funds assigned to participate in the PAMM fiscally remain on the balance of respective Customer accounts in question though become "invisible" for the Customers and eliminated from all calculations performed on those Customer Accounts and not connected with PAMM operations;

2.2.2.2.2. The usage of PAMM module functionality provided by the Company in order to create virtual Master Account and Follower Account(s) which correspond to respective PAMM Quasi Master and Follower Accounts within the Master and Follower Customer Accounts. Master and Follower Accounts are devoted to enable visual displaying of funds assigned by Master and Follower to participate in the PAMM as well as all trading and non-trading operations conducted by the Master. Without derogating from the mentioned above all actual transaction with Customers funds shall be processed on the PAMM Quasi Master and Follower Accounts within the Master and Follower Customer Accounts.

2.2.2.2.3. Considering the structure described above, herein below in these Terms the only terms "Master Account" and "Follower Account" shall be used in these Terms in order to simplify the wording.

2.3. The Master has the right to:

- ..a. enter into any transactions using the PAMM,
- ..b. perform non-trading transactions in the PAMM Back-Office menu:
 - ...i. Control Master Offer(s),
 - ...ii. Increase Master Capital;
 - ...iii. Terminate the usage of PAMM;
 - ...iv. Obtaining information about Follower Account status;
 - ...v. Funds assignment and/or revocation providing that the amount of Master Capital shall be not less than the minimum threshold, as specified on PAMM website.

2.4. The Master is prohibited to request the funds assignment or revocation to or from Follower Account. Master is prohibited to make suggestion, recommendations, providing advice or influence any other way on the Follower's decision making for in respect of funds assignments or revocations or prevention from such being executed by the Follower.

2.5. All PAMM calculations including without limitation assignment/revocation of funds, crediting and debiting of rewards and penalties is carried out by the Company.

2.6. The Company may provide the Master with the following additional services:

- ..a. Provision of a results-based Statement achieved by using the PAMM for public information on the PAMM website;
- ..b. Participation in the PAMM Rating;
- ..c. Provision of market reviews, etc.

2.7. Without derogating from generality of respective Customer Agreement and/or Terms of Business, it is hereby expressly stipulated that the Leverage parameter shall be determined within the range from _____ up to _____.

3. PAMM PARAMETERS

3.1. During the usage of the PAMM the following parameters shall apply:

- ..a. PAMM name - the name of PAMM, which the Followers will see when accept Master Offer;
- ..b. PAMM type;
- ..c. PAMM currency;
- ..d. Assignment to Master Capital;
- ..e. Rollover time;
- ..f. Freeze time;
- ..g. Frequency of Follower's Trading Reports publications;
- ..h. "Show Equity to all" - permission/prohibition of publication of PAMM equity size;
- ..i. "Show Currencies to all" - permission/prohibition of publication of a list of traded financial instruments and additional information;
- ..j. "Show Statements to all" - permission/prohibition of trading statements publication within specific timeframe;
- ..k. "Show Net Assignment to all" - permission/prohibition to show all assignments/revocations operations on the PAMM;
- ..l. "Allow Follower Offer" - permission/prohibition of the requests issued by Followers specifying their own parameters they wish to implement.

3.2. The following PAMM parameters may be altered by the Master:

- a. Increase Master Capital size;
- b. "Show Equity to all";
- c. "Show Currencies to all";
- d. "Show Statements to all" - permission/prohibition of trading statements publication within specific timeframe;
- e. Rollover time;
- f. Freeze time;
- g. "Show Net Assignment to all" - permission/prohibition to show all assignments/revocations operations on the PAMM;
- h. Forum URL;
- i. "Allow Follower Offer".

4. REGISTRATION AS MASTER

4.1. A Customer looking to be registered as a Master is required to fill in a PAMM application in the PAMM website. The Company shall consider the act of submitting the form as an unconditional acceptance of the PAMM Terms hereof.

4.2. PAMM shall be registered by the Company on the name of the particular Master, providing that all the following conditions are satisfied:

..a. "Verified" status of the Master Customer Account hold with the Company;

..b. The amount of available funds held in the Customer's Account is equal to or exceed the value of minimum threshold, specified for the Master Capital on PAMM website.

4.3. Failure to satisfy at least one of the above listed requirements will result in the rejection of the registration application.

4.4. After the request for PAMM usage has been successfully submitted, funds specified as Master Capital shall be assign to the respective PAMM in accordance with clause 1.3 and 2.2 above.

4.5. Once the PAMM registration is confirmed, the Company provides the Master with PAMM parameters, login and password.

4.6. The information regarding newly created PAMM shall be published on the PAMM website. In case the Master wants the PAMM to be assigned with a Private Status in order not to be listed in the PAMM Rating and/or to be available to certain Followers only the Master shall send respective request to the Company accompanied with PAMM login. The request will be processed by the Company in turn.

4.7. The Company allows each Master to use the full range of PAMM services without generating Master Offer. Publication of a Master Offer is a completely voluntary action of the Master without any inducement from the Company.

4.8. In case the Master Balance falls below the Master Capital size, the Master shall specify additional funds on his Customer Account he wish to be assign to the Master Account in PAMM in order to comply with the minimum threshold for Master Capital as specified on the PAMM website. If the Master failed to satisfy above mentioned condition the PAMM usage shall be terminated as per the rules stipulated in the clause 17 hereto. The rest of funds will be available on the Master Customer Account after the termination of the PAMM usage has been completed.

5. MASTER OFFER

5.1. Master Offer is a public proposal to an undefined range of the Company's Customers to replicate the trading strategies in respect of the transactions entered into the OTC FOREX Market, as applied by the Master. Each Master Offer includes sufficient terms applicable for the particular PAMM operation which are used by the Company for the respective calculations. The Follower accepts or rejects any particular Master Offer on its own risk subject to its entirely voluntary decision and such acceptance or rejection does not entail the conclusion of any contract, material reciprocal relationship or any other commitment binding the Company and a Follower.

5.2. Each Master Offer shall include the following parameters:

- ..a. Performance Fee,
- ..b. Master Commission,
- ..c. Minimum Performance Constraints (MPC),
- ..d. Assignment Commission (AC),
- ..e. Early Revocation Penalty (ERP),
- ..f. Initial Assignment Volume,
- ..g. Follower Top-Up Minimum,
- ..h. Follower Balance Minimal,
- ..i. Agent Commission,
- ..j. Trading Interval.

5.3. Each Master Offer entails monitoring of that Master Offer, intended for the publication of calculation parameters for the performance of that PAMM, since the creation of the Master Offer.

5.4. Master Offer cannot be removed. The Master may disable the Master Offer to make it inactive. Inactive status of the Master Offer will resist Followers to join it and/or assign funds.

5.5. The Company may determine the maximum possible amount of Master Offers allowed to the one PAMM. Such information shall be published on PAMM website shall be effective after 5 days from the moment of its publication.

6. TRADING INTERVAL

6.1. The following Trading Interval may be specified for the PAMM:

- 6.1.a. Month period - 4 weeks (or 28 calendar days);
- 6.1.b. Quarter period - 12 weeks (or 84 calendar days).

6.2. Trading Interval commences on the date of the when the Company actually processes with Follower's request for assignment of funds credited to be engaged in the PAMM providing that the Follower has accepted the Master Offer.

6.3. Completion of the one Trading Interval means commence of another Trading Interval.

6.4. The Master has the right to maintain open positions during the interchange of Trading Intervals.

7. REGISTRATION AS FOLLOWER

7.1. Registration of any Customer as a Follower is performed by the Company at the time of his acceptance of the Master Offer. By accepting the Master Offer, the Customer confirms that he:

7.1.a. Carefully read and understood all the provisions of these PAMM Terms;

7.1.b. Has all the power and authority to abide by these PAMM Terms and understands the significance and consequences of his own actions;

7.1.c. Ensures that the using the PAMM does not entail any violation of the rights of the Follower or any third party;

7.1.d. Assumes responsibility for enforcing the provisions of these PAMM Terms.

7.2. After the Master Offer has been accepted and application for Follower Account registration has been completed the Customer shall be registered as the Follower to the PAMM. Registration shall be processed by the Company during the Current Rollover.

7.3. A Customer's foregoing rejection of his registration as a Follower (rejection of the Initial Assignment) shall cancel the registration procedure only if done before Freeze Time, when the Follower Account in the PAMM has not yet been formed. In case the rejection is made during or after Freeze Time, it won't be processed by the Company. To cancel Follower status the Customer shall initiate the process of Salve Account closure and the Follower's funds can be revoked using the common procedure for revocations specified in the article 11 below.

7.4. The Company shall notify the Customers regarding any changes in the Follower registration status via electronic mail.

8. SHARE

8.1. Share is a parameter used to determine which part of the achieved results by using the PAMM shall be distributed either to the Follower or to the Master.

8.2. Calculation of the Share is conducted by the Company during each Rollover using the following formula:

$$\text{Share} = \text{Balance} \div \text{PAMM Equity}$$

Where:

Balance –Follower Balance or Master Balance as for the moment after the previous Rollover,
PAMM Equity - Instant liquidity used within the PAMM as of the moment of Share calculation during each Rollover.

9. ROLLOVER

9.1. Rollover is a procedure conducted for all PAMMs within the Company. Rollover may be processed at any time and its duration may take several minutes, depending on the amount and composition of the PAMMs, hold with the Company.

9.2. Current Rollover is the next Rollover which shall be executed at the end of the current trading session.

9.3. Each Rollover includes the actions specified below, with shall be performed in the sequential order:

9.3.9.1.1. Closure of all positions opened using the PAMM and PAMM Equity fixation;

9.3.9.1.2. Distribution of the Profit/Loss gained using the PAMM between Master Account and Follower Account (s) according to the Share parameters as per the previous Rollover;

9.3.9.1.3. Master Commission calculation considering the calculation made as per the clause 9.3.2 above;

9.3.9.1.4. Performance Fee calculation for Follower Account(s) *;

9.3.9.1.5. Agent Commissions calculation *;

- 9.3.9.1.6. Assignment request execution;
- 9.3.6.9.1.6.1. Assignment Commission calculation for assignment of funds to be engaged in the PAMM;
- 9.3.9.1.7. Revocation requests execution;
- 9.3.7.1. Performance Fee calculation in case of funds have been early revoked;
- 9.3.7.2. Early Revocation Penalty calculation in case of funds have been early revoked;
- 9.3.9.1.8. Recalculation of Master Balance, Master Capital, Follower Balance, Follower Net Balance and Follower Capital according to the calculation made;
- 9.3.9.1.9. Calculation and fixation of Share values;
- 9.3.9.1.10. Reopening of trading positions generated using the PAMM;
- 9.3.9.1.11. Generation of Trading Reports;
- 9.3.9.1.12. Updating of PAMM Rating on the PAMM website.

**in case of Trading Interval completion*

9.4. Calculation of commissions, obtained profit/loss and payments due for overnight positions carrying is conducted for each Follower Account based on the Share.

10. ASSIGNMENT OF FUNDS TO BE ENGAGED IN PAMM

- 10.1. This clause shall be read and interred in strict accordance with clause 1.3 and 2.2 above.
- 10.2. Master may request a funds assignment by way of submitting application into the Master Section in the PAMM Back-Office.
- 10.3. Follower may request a funds assignment by way of submitting application into the Follower Section in the PAMM Back-Office. The amount of the funds to be assigned should be not less than:
 - ..a. The amount of Initial Assignment if the Follower Balance is equal to zero;
 - ..b. Follower Top-Up Minimum if the Follower Balance exceeded zero.

10.4. If the application for funds assignment has been received before Freeze Time, it shall be executed during the Current Rollover. If the application for funds assignment has been received within Freeze Time, it shall be processed during next Rollover.

10.5. At the moment of application for funds assignment submission the requested amount with accordance to clauses 1.3. and 2.2 is segregated from the available funds on the Follower's Customer Account and is locked on a PAMM Quasi Follower Accounts within Follower's Customer Account. At the same time the amount corresponding to those have been blocked is appeared on the virtual Follower Account. If such application is rejected before Freeze Time, the claimed amount is unlocked and become available on the Follower's Customer Account.

10.6. While processing the assignment application:

- ..a. Follower Account is charged for Assignment Commission (as per the clause 13.7);
- ..b. Salve Capital and Follower Balance are fixed on the Follower Account accordingly (as per the clauses 13.3a and 13.1.a).

11. REVOCATION OF FUNDS

11.1. This clause shall be read and interred in strict accordance with clause 1.3 and 2.2 above.

11.2. The Master may request a revocation of funds assigned to be engaged to the PAMM by way of submitting the application into the Master Section in the PAMM Back-Office.

11.3. The Follower may request a funds revocation by way of submitting the application of application into the Follower Section in the PAMM Back-Office. The application may be:

- ..a. Planned, generated in connection with the completion of the Trading Interval,
- ..b. Early, generated before the end of the Trading Interval.

11.4. Early revocation request can be of the following type:

- ..a. All funds revocation - all funds shall be revoked considering that all fees, commissions and fines due to the Master have been deducted and remitted to the Master's Customer Account,
- ..b. Partial revocation - the amount of funds defined in the application shall be revoked. The Follower may define additional conditions for processing revocations in order to prevent Follower Balance to fall below the Follower Balance Minimal as defined in the Master Offer.

11.5. If the application for funds revocation has been received before Freeze Time, it shall be executed during the Current Rollover. If the application for funds revocation has been received within Freeze Time, it shall be processed during next Rollover.

- 11.6. Planned revocation requests can be of the following type:
- ..a. All funds revocation - all funds shall be revoked considering that all fees, commissions and fines due to Master have been deducted and remitted to the Master's Customer Account.
 - ..b. Partial revocation - the amount of funds defined in the application shall be revoked. The Follower may define additional conditions for processing revocation in order to prevent Follower Balance to fall below the Follower Balance Minimal as defined in the Master Offer.
 - ..c. Follower Revenue revocation – Follower can choose one of two Revenue revocation options providing that the amount of funds on Follower Account exceeds Follower Balance Minimal as defined in Master offer:
 - ..i. to revoke all funds exceeding Initial Assignment;
 - ..ii. to revoke any amount of funds providing that Follower Balance will be equal or exceed Follower Balance Minimal after revocation completion.
- 11.7. Planned requests are executed at the Trade Interval completion.
- 11.8. Request for revocation may be canceled before Freeze Time.
- 11.9. While processing the revocation application:
- 11.9.a. Follower Account is charged for Early revocation penalty (as per the clause 13.8);
 - 11.9.b. Follower Capital and Follower Balance are fixed on the Follower Account accordingly (as per the clauses 13.3 (b) and 13.1)
12. REPLACING THE MASTER OFFER (MIGRATION)
- 12.1. The Follower has the right to replace one Master Offer with another without assignment/revocation of funds, if Follower Balance after deduction of Performance Fee is equal or exceed the amount of Initial Assignment specified in the new Master Offer. Migration is initiated from the Follower Section in the PAMM Back-Office.
- 12.2. Replacement of Master Offer is performed during the Current Rollover.
- 12.3. When replacing the Master Offer the Early Revocation Penalty is not in effect.
- 12.4. If the Assignment Commission specified for a new Master Offer is higher than the previous one, the difference shall be credited to the new Master. If the Assignment Commission specified for a new Master Offer is lower than the previous one, the Follower shall not be entitled for retention of the difference.

12.5. While replacing the Master Offer:

- ..a. Master receives Master Commission and Performance Fee;
- ..b. Follower Account for previous Master Offer is closed;
- ..c. Follower funds are assigned into the new Follower Account in accordance with accepted Master Offer;
- ..d. Date of the Mater Offer replacing shall be considered as the commencement of the Trading Interval for the new Master Offer.

13. PAMM CALCULATIONS

13.1. Calculation of Follower Balance shall be done according to the following rules:

- a. Assignment of funds to the PAMM increases the Follower Balance by the amount specified in the application less the amount of the Assignment Commission as defined in the Master Offer;
- b. Follower Balance is an amount of the Follower's funds as of the moment of the previous Rollover performed considering the results of the Master's trading activity and all applicable remunerations, commissions and penalties. Follower Balance shall be updated every day during the Rollover procedure;
- c. The Company calculates Follower Balance in accordance with the following formula:

$$\text{Follower Balance} = \text{SBp} + \text{ASN} - \text{REV} + (\text{P\&L} \times \text{S}) - \text{FEE}$$

where:

SBp – Follower Balance as for the previous Rollover,

ASN- The amount of funds assigned during the Current Rollover,

REV - The amount of funds revoked during the Current Rollover,

P&L - The value of profit/loss achieved by using the PAMM during the trading session preceding the Current Rollover,

S – Share effective as for the Current Rollover,

FEE – Total amount of all remuneration, fees, commissions and payments deducted during the Current Rollover.

13.2. The Company shall calculate Follower Net Balance as of the moment of each Rollover according to the following formula:

$$\text{Follower Net Balance} = \text{SB} - \text{PFm}$$

where:

SB – Follower Balance as of the previous Rollover;

PFm – Calculated value of Performance Fee in monetary form according to the Master Offer parameters which is calculated based on the value of the Follower Revenue as of the previous Rollover.

13.3. The Company shall calculate Follower Capital after each assignment or revocation of funds from the Follower Account occurred according to the following formula:

a. If assigned:

$$\text{Follower Capital} = \text{SCp} + \text{ASN}$$

b. if revoked:

$$\text{Follower Capital} = \text{SCp} \times (1 - \text{REV} \div \text{SB})$$

where:

SCp – Follower Capital prior to the previous revocation;

SB – Follower Balance prior to the previous revocation;

REV – The amount of funds revoked as for the Current Rollover,

ASN – The amount of funds assigned during the Current Rollover.

13.4. The Company calculates Master Balance in accordance with the following formula:

$$\text{Master Balance} = \text{MBp} + \text{ASN} - \text{REV} + (\text{P\&L} \times \text{S})$$

Where:

MBp – Master Balance as for the previous Rollover,

ASN- The amount of funds assigned during the Current Rollover,

WDW - The amount of funds revoked during the Current Rollover,

P&L - The value of profit/loss achieved on the PAMM during the trading session preceding the Current Rollover,

S – Share effective as for the Current Rollover.

13.5. Performance Fee in monetary form shall be calculated according to the following formula:

$$\text{PFm} = (\text{SB} - \text{SC} \times (1 + \text{MPC} \div 100)) \times \text{PFp} \div 100$$

where:

PFm - Performance Fee in monetary form;

SB – Follower Balance as for the previous Rollover;

SC – Follower Capital;

MPC – Minimum Performance Constraints;

PFp – Performance Fee in percent according to the Master Offer.

If this formula's calculation result is negative, then no payment is made. In the case of a positive result Performance Fee shall be paid, during one of the following procedures:

1.1.a. Rollover processing while PAMM usage termination;

1.1.b. Rollover processing at the conclusion of a Trading Interval;

1.1.c. Rollover processing at the Follower's funds revocation, providing that such is made prior to the calculation of the Early Revocation Penalty.

13.6. Master Commission shall be calculated according to the following formula:

$$\text{Master Commission} = \text{SB} \times \text{MC} \div 100 \div 260$$

where:

SB – Follower Balance as for the Current Rollover,

MC – Master Commission in percent according to the Master Offer.

Master Commission shall be calculated and transferred to the Master's Customer Account during each Rollover. The minimum value of the Master Commission is 0.01 units of currency's applied for assignment. All calculations below the said minimum level shall be rounded up to 0.01.

13.7. Assignment Commission is charged during the execution of the request for funds assignment to the Follower Account and shall be calculated according to the following formula:

$$\text{Assignment Commission} = \text{ASN} \times \text{AC} \div 100$$

where:

ASN - The amount of funds requested by Follower to be assigned,

AC - The value of the Assignment Commission in percent according to the Master Offer.

13.8. Early Revocation Penalty shall be charged at the moment of the early revocation request execution. Early Revocation Penalty shall be calculated according to the following formula:

$$\text{Early Revocation Penalty} = \text{REW} \times \text{ERP} \div 100$$

where:

REW - The early revoked amount of funds, defined in the request;

ERP - Early Revocation Penalty in percent according to the Master Offer.

The penalty will not be charged for any reason whatsoever if the date of the Trading Interval completion coincided with the date of early revocation execution.

14. MASTER'S OBLIGATIONS

14.1. Master based on its decisions and considering the inherent risks associated with trading on the OTC FOREX market, engages in activities aimed at achieving profit on the PAMM. The Company reserves the right to terminate usage of the PAMM if it has reasonable grounds to believe that the Master does not comply with the Saves interests. In such case the Company shall inform all the concerned Customers.

14.2. Master do hereby represents and warrants that:

- a. is of sound mind, legal age and legal competence of the jurisdiction a resident of which he is;
- b. regardless of any subsequent determination to the contrary, the Master is suitable to trade financial instruments on the OTC FOREX market, and, execution of this PAMM Terms and performance of all of Master's obligations contemplated under this PAMM Terms will not violate any statute, rule, regulation, ordinance, charter, by-law or policy applicable to the Master;
- c. all the information provided including personal information and information regarding Master's trading experience and investment sophistication is true, correct and complete as of the date hereof and the Master will notify the Company promptly of any changes in such information;
- d. these PAMM Terms have been carefully read, understood and accepted;
- e. all of risks and implications associated with trading on the OTC FOREX market are disclosed, defined and understood.

14.3. Master agrees and confirms that it is Master's obligation to settle in a timely manner all possible claims or complaints submitted against him by the Followers, governing authorities, etc. The Master agrees to indemnify and hold the Company, its affiliates, employees, agents, successors and assigns harmless from and against any and all liabilities, losses, damages, costs and expenses, including attorney's fees related to such complaints or arising out of the Master's failure to fully and timely perform the its obligations herein or should any of the Master's representations and warranties fail to be true and correct.

14.4. Master shall continuously monitor and show trading activity using the PAMM. The Company reserves the right to request explanations regarding absence of activity in the PAMM, providing that duration of such inactive period will be determined at the Company's sole discretion. If the Master has ignored the request and does not submit any comments within two calendar days, or if the explanations were deemed inconclusive, the Company may notify the Customers by publishing on PAMM website or otherwise, that the PAMM in question is not operational.

14.5. The Master obliged to ensure full confidentiality of the access details to Master Section in the PAMM Back-Office. All the complaints regarding an unauthorised access to the Master Section will be rejected if the server log files contain information that the accurate Password and Login were used for this access.

14.6. The Master hereby agrees and confirms that he shall not:

- a. affiliate himself with the Company, publicly or otherwise, in contracts and agreements either verbally or in writing;
- b. use the Company's trademark or logo in documents or any Master Offer;
- c. make statements, calculations or obligations on behalf of the Company on any public means of communications (such as forums, journal articles, books, presentations, etc.).

14.7. The Master hereby agrees and confirms to pay promptly to the Company all damages, costs and expenses, including attorney's fees, incurred by the Company as a result of his activities as a Master. If such an occurrence, all requests for revocation of funds issued by the Master will be blocked and will not be executed until the full resolution of the conflict.

15. FOLLOWER'S OBLIGATIONS

15.1. The Follower hereby agrees and confirms that:

- a. is of sound mind, legal age and legal competence of the jurisdiction a resident of which he is;
- b. regardless of any subsequent determination to the contrary, the Follower is suitable to trade financial instruments on OTC FOREX market, and, execution of this PAMM Terms and performance of all of Follower's obligations contemplated under this PAMM Terms will not violate any statute, rule, regulation, ordinance, charter, by-law or policy applicable to the Follower;
- c. all the information provided including personal information is true, correct and complete as of the date hereof and the Follower will notify the Company promptly of any changes in such information;
- d. these PAMM Terms have been carefully read, understood and accepted;
- e. all of risks and implications associated with trading on the OTC FOREX market are disclosed, defined and understood.

15.2. The Follower agrees to pay all fees, as defined in the accepted Master Offer, such as:

- a. Performance Fee;
- b. Master Commission;
- c. Assignment Commission,
- d. Early Revocation Penalty.

15.3. The Follower agrees and confirms that all claims and complaints that may arise as a result of his activities, shall be handled and resolved independently by him and at own expense. The Follower agrees to indemnify and hold the Company, its affiliates, employees, agents, successors and assigns harmless from and against any and all liabilities, losses, damages, costs and expenses, including attorney's fees related to such complaints or arising out of the Follower's failure to fully and timely perform the its obligations herein or should any of the Follower's representations and warranties fail to be true and correct.

15.4. The Follower obliged to ensure full confidentiality of access details to his personal Follower Section in the PAMM Back-Office. All the complaints regarding an unauthorised access to the Follower Section will be rejected if the server log files contain information that the accurate Password and Login were used for this access.

16. CONFIDENTIALITY

16.1. The Company is taking all measures possible to prevent third-party access to the personal information of its Customers. An exception can only be made if governmental agencies have presented a valid request.

16.2. The Company shall not disclose any personal information about the Master, as any registered PAMM shall be applied with the same privacy policy as all Customers Accounts hold with the Company and therefore personal details are privileged information which cannot be disclosed to third parties. Based on this, any claims that may be brought by the Followers against the Company relating to the legal and professional competence level of Masters will be rejected outright.

16.3. The Company may disclose the PAMM login and information about it to the Follower on the PAMM website. No additional information regarding the Master, except for ratings monitoring, shall be provided to the Follower.

16.4. The Company may disclose to the Master the Follower's Customer Account number and the country of residence. No additional information about the Follower shall be provided to the Master.

17. PAMM USAGE TERMINATION

17.1. The Company at its sole discretion may terminate any PAMM usage without any explanation. It may also terminate a PAMM usage if:

1.1.a. Monitoring shows negative rates of return;

1.1.b. There was no trading activity registered for the period of more than 15 Rollovers.

17.2. PAMM usage may be terminated under the Master's request. Termination under the Master's request is subject to the following actions:

a. Master closes all currently open positions and cancels all pending orders;

b. Master notifies the Company of the termination of the PAMM usage by filing a request through the Master Section.

17.3. The Company shall confirm and process Master's request for PAMM usage termination within the Current Rollover providing that all conditions specified above in clause 17.2 have been satisfied.

17.4. The following actions shall be done by the Company during the Current Rollover:

- a. Calculation of Master Commission;
- b. Calculation of Performance Fee;
- c. Liquidation of all Follower Accounts;
- d. Disabling of the Master and all Followers access to the PAMM Service.

17.5. After the termination of the PAMM usage is confirmed, the Company shall:

- a. Notify the Master and the Follower(s) on the PAMM usage termination by any mean of communications available as described in the clause 1.9 above;
- b. Publish the Information on the PAMM usage termination on the PAMM website.

18. RISKS DISCLOSURE

18.1. In addition to the inherent risks associated with trading on the OTC FOREX market which has been disclosed by the Company to each Customer during common account opening procedure, there are additional risks related to the PAMM Service, including but not limited to:

- a. Possible losses, unrealised gains, etc., that may arise when using the PAMM service;
- b. Moral damage associated with financial losses;
- c. Risk of the PAMM usage termination;
- d. Risk of lacking required skills, experience and education of the Master;
- e. Risk of the Master's inability to access and/or control the PAMM due to either objective or subjective reasons;
- f. Risk of actions aimed at inflicting financial losses to the Followers in order to increase Master's profit by any related means;
- g. Risk of a hacker attack, which can result in third parties accessing the PAMM trading terminal;
- h. Risk of payment of Master Commission, commissions and fees to the Master;
- i. Risk of transition to a new Trading Interval because of the untimely filed or unprocessed request for revocation of funds by either objective or subjective reasons;
- j. Risk of losses due to the Master's failure to fill, untimely filed or dismissal of the complaint against the Company in respect of violation of PAMM Terms;
- k. Risk of delays in receiving information about changes to these PAMM Terms;
- l. Risk of a misunderstanding of these PAMM Terms;
- m. Risk of possible claims and indifferences with the tax and financial authorities of jurisdictions where the Follower or the Master are registered.

19. CHANGES AND THE VALIDITY OF THESE PAMM TERMS

19.1. All provisions of these PAMM Terms shall come into force at the time of Customer's acceptance of the Master Offer in his personal PAMM Back-Office area.

19.2. The Company may make changes to these PAMM Terms. The Company shall notify its Customers of any change by any of the available means of communication. Amendments shall enter into force on the date designated in the notice of amendment, but not earlier than five calendar days (including the day of publishing) from the time of publishing. All amendments are posted on the PAMM website.

19.3. These PAMM Terms may be executed in the languages other than English. In case of any controversy between English and other versions, English shall prevail.

20. INTERPRETATION

20.1. Words importing the masculine gender shall be deemed to include the feminine and neuter genders and the singular to include the plural and vice versa;

20.2. Words importing to human beings or person include any body or persons corporate or unincorporated and vice versa.

GLOSSARY

Active Follower Account	Any Follower account with a balance amount exceeding zero.
Agent	A person who introduce new Followers to use PAMM for a remuneration which is equal to a certain percentage of the Master's Performance Fee.
Agent Commission	A certain percentage of the Master`s Performance Fee that is transferred to the Agent when the profit is distributed between the Master and the Follower at the end of the Trading Interval.
Current Rollover	Next Rollover which shall be executed at the end of the current trading session.
Customer	Natural person, legal entity or other corporation, either public or private, who has expressly accepted and entered into the Company Customer Agreement.
Customer Account	A valid and verified trading account in accordance with Customer Agreement.
Customer Agreement	An agreement made between the Company and the Customer outlining the services to be provided by the Company.
Assignment Commission (AC)	The commission due to the Master which is charged for assignment of funds to be engaged in PAMM issued by the Follower. It shall be calculated as a percentage, according to the Master's Offer Parameter, of the Follower's requested amount to be assigned to the PAMM and shall be deducted during the execution of funds assignment. A Master's Offer parameter. The calculation formula can be found in the clause 13.7.
Early Revocation Penalty (ERP)	A penalty subject to the Follower for a revocation of fund requested prior the Trading Interval completion. It shall be calculated as a percentage of the amount to be revoked early, according to the Master's Offer Parameter, and shall be charged to the Master during the execution of an early revocation process. A Master's Offer parameter. The calculation formula can be found in the clause 13.8.

Follower Account Holder (Follower)	Any Customer who wishes to replicate Master's trading strategy to his Follower using the PAMM technology, providing that he has expressly and voluntarily accepted a Master's Offer and has been successfully registered as a Follower on the particular PAMM.
Follower Account	Derivative Follower Account within the PAMM on which Master's trading strategy is replicated by the means of the PAMM technology.
Follower Balance	The net amount of funds which has been assigned and revoked by the Follower to the PAMM as for the moment after the previous Rollover performed, considering the results of the Master's trading activity. The calculation formula can be found in the clause 13.1
Follower Net Balance	The available amount of funds that can be revoked at the end of Trading Interval (it could be affected by trading activity within trading period). Follower Net Balance is equal to Follower Balance until Follower Net Balance does not exceed Follower Capital and Minimum Performance Constraint (in case accepted Offer includes such parameter) The calculation formula can be found in the clause 13.3
Follower Balance Minimal	The lowest possible amount of Follower Balance remaining in the Follower Account in case of funds revocation. A Master's Offer parameter.
Follower Capital	The net amount of funds which has been assigned and revoked by the Follower to the PAMM. The first assignment should be not less than the Initial Assignment, according to the Master's Offer Parameter. The calculation formula can be found in the clause 13.2.
Follower Offer	Follower's offer addressed to a particular Master specifying sufficient terms of particular PAMM operation, and which shall be used by the Company for respective calculations.
Follower Revenue	The difference between Follower Balance and Follower Capital providing that all obligatory commissions, penalties due, according to the Master Offer parameters, have been deducted.

Follower Section	The PAMM Bask-Office Area designated for performing operations on the Follower Account(s) in the PAMM.
Follower Top-Up Minimum	The minimum allowable amount to be assigned by the Follower to the PAMM proving that the current Follower Balance is above zero. A Master's Offer parameter.
Freeze Time	The time period preceding the Rollover. If Follower's request including but not limited to assignment, revocation request, is accepted before the Freeze Time, it shall be processed during the Current Rollover. In case such request is accepted within the Freeze Time, it shall be processed during the next Rollover. The Freeze Time commencement is set by the Master. The allowable duration of the Freeze Time shall be established by the Company and disclosed on the PAMM website.
Glossary	Definitions of terms and expressions used in these PAMM Terms.
Initial Assignment	The funds which shall be assigned by the Follower to be engaged into the PAMM in the amount not less than the minimum threshold, according to the Master's Offer Parameter, providing that current Follower Balance is equal to zero. A Master's Offer parameter.
Master Account Holder (Master)	Any Customer who wishes to provide the opportunity to the other Company's Customers to replicate its trading strategy to their Follower's Accounts using the PAMM technology, providing that he has been successfully registered as a Master on the particular PAMM.
Master Account	Derivative Master's Account within the PAMM which is used for trading strategies copying and replication by the means of the PAMM technology.
Master Balance	The net amount of funds which has been assigned and revoked by the Master to/from the PAMM as for the moment after the previous Rollover performed. The calculation formula can be found at Section 13.4.

Master Capital	The funds which shall be assigned by the Master to the PAMM in the amount not less than the minimum threshold, as specified on PAMM website. Master Capital is prohibited to be reduced and/or revoked in the whole during the Trading Interval, except for the case of PAMM usage termination.
Master Commission	Remuneration due to the Master for providing of an opportunity to follow Master's trading strategies. It shall be calculated as a percentage of Follower Balance charging during each Rollover, providing that such present is 260 times smaller than the Master's Offer parameter, which is defined as a percentage per annum. A Master's Offer parameter. The calculation formula can be found in the clause 13.6
Master Offer	Master's public offer to an undefined range of Company's Customers specifying sufficient terms of particular PAMM operation, which are also used by the Company for respective calculations.
Master Section	The PAMM Back-Office Area designated for performing operations on the Master Account in PAMM.
Minimum Performance Constraint (MPC)	The percentage rate of return for the Follower Capital which has to be performed before the Master gets his Performance Fee at the end of the Trading interval. The Performance fee will be calculated based on the profit made over the minimum performance constraint.
PAMM	Software solution which provides technical opportunity for Company's Customers to get access and to follow trading strategies of the other Company's Customers. By the means of PAMM technology Master operates his personal funds through a given PAMM, and his trading strategy is replicated on the Follower's Account. For the removable of doubts PAMM is not an asset management tool.
PAMM Monitoring	Public monitoring of the Statements showing profits achieved by using of the PAMM published on the PAMM website. The list of all PAMM provided by the Company sorted by trading results and published on the PAMM website.

PAMM Rating	The list of all PAMM provided by the Company sorted by trading results and published on the PAMM website.
PAMM Equity	Instant PAMM liquidity, calculated on the basis of current market prices at Rollover time. (Equity of PAMM at Rollover time according to equity reports of Trading Terminal).
Performance Fee (in monetary form, in percent)	Remuneration due to the Master which is calculated as a percentage of the Follower's profits, providing that this amount exceed the minimum level of profit subject to Minimum Performance Constraint, and charged to the Master during the distribution of profits. Performance Fee could be presented either in monetary form or in percent. A Master's Offer parameter. The calculation formula can be found in the clause 13.5.
Private Status of PAMM	The Status that allow the Master to exclude the PAMM from the PAMM Rating and/or to make it available to certain Followers only.
Risk Disclosure	The document outlining the risks associated with leveraged foreign exchange transactions which may lead to the loss of margin collateral. These risks have been expressly accepted by the Customer as part of the account opening documentation.
Rollover	The process during which specific operations shall be processed in the order as specified in the clause 9.3 of these Terms.
Share	A parameter that is used for determination of the Follower's and Master's part in the PAMM calculations and PAMM trading results allocation. It shall be calculated on daily basis by the Company. The calculation formula can be found in Section 8.2.
Terms of Business	The terms that outline procedures and policies regarding trading with the Company which may be changed by the Company in its sole discretion and at any time and any such changes automatically become part of the Terms of Business with which all Customers must comply. Customers may or may not receive notice of such changes but such changes will be posted on the official Company's website.

Trading Interval

Base time period within which PAMM is operated. After Trading Interval completion the calculation of Performance Fee is performed and the Follower may revoke Follower Revenue (if any), gained by using of the PAMM, without charging an Early Revocation Penalty.

**Trading
(«Statements»)****Reports**

Transaction report specifying Master's operations on the PAMM which is published for Follower(s) information within the intervals determined by the Master.