

## Account Opening Agreement

### 1. Introduction

This document "Account Opening Agreement" together with the "General Risk Disclosure", look to identify the associated risks of trading Financial Instruments, constitutes the basis on which The Company provides investment and ancillary services to its Clients and acts as the framework for the relationship between the Client and the Company.

### 2. Acknowledgement

2.1 The Client acknowledges that they have read, understood and accepted the Account Opening Agreement, the General Risk Disclosure, the Terms of Business and the Execution Policy and Risks. The Client also acknowledges that these may be amended from time to time with the latest version always being available in the 'Legal Documents' section of the website.

2.2 After the Client fills in and submits the Online Account Registration Form they will be sent an email verification to the registered email. In order to complete the account opening they are required to click this link. Once the email has been verified they will then receive their Login Credentials and will at that point be able to fund their Wallet; create trading accounts and generally commence trading. It is understood that the Company is not obliged to accept the Client as its customer. It is further understood that the Company reserves the right to impose additional due diligence requirements to accept Clients residing in certain countries. The Agreement will take effect and commence upon the receipt by the Client of the notice sent by the Company informing the Client that he has been accepted as the Company's Client. By accepting this Agreement, the client is consenting that if he is accepted by the Company as a Client their relationship will be governed by the Terms and Conditions of this Agreement and the Terms of Business which may be amended from time to time.

2.3 The client acknowledges that the Company's official language is the English Language.

2.4 The Client acknowledges that at no point will they be able to withdraw funds from their account unless they have completed the full KYC and Compliance checks and validated their account by providing proof of legal existence and a valid proof of address.

### 3. Scope of the Account Opening Agreement

3.1 Subject to the Client's obligations under the Agreement being fulfilled, The Company offers the following services to the Client:

a) Receive and transmit Orders of the Client in the Financial Instruments the Company offers.

b) Execute Client's Orders in the Financial Instruments offered by the Company.

c) Ensure safekeeping and administration of financial instruments for the account of the Client (as and if applicable) including custodianship and related services, such as cash/collateral management.

3.2 The Company reserves the right, at its sole discretion, to withdraw the whole ,or any part of the Services at any time , on a temporary or permanent basis. The Client acknowledges that the Company is not obliged to inform the Client of the reason of such changes.

3.3 The Account Opening Agreement is non-negotiable and takes precedence over any other agreements, arrangements, express or implied statements made by the Company, unless determined otherwise.

#### **4. Commencement of the Account Opening Agreement**

4.1 The account opening agreement commences at the moment when the (prospective) Client receives an email containing the trading account number and login details.

#### **5. Definitions and Interpretations**

5.1 Terms stated below shall have the following meanings and may be used in the singular or plural :

“**Account**” means a personalized trading account of the Client opened with the Company;

“**Account Detailed Report**” means a statement of the Clients securities portfolio, open positions, margin requirements, cash deposit etc. at a specific point in time;

“**Ask Price**” means the price at which the Company is selling a CFD;

“**Authorized Person**” means a person authorized by the Client under a power of attorney to give instructions to the Company in relation to the Account;

“**Balance**” means the sum of the Client Account after the last completed order and deposit/withdrawal operation made within any period of time;

“**Best Execution Policy**” means the Company's prevailing policy available at the Company's Website regarding the best execution of Client's orders;

“**Bid Price**” means the price at which the Company is buying a CFD;

“**Business Day**” means any day on which banks are open for business in the Republic of Bulgaria;

**“CFD Contract or CFD”** means a contract which is a contract of difference by reference to fluctuations in the price of the relevant Underlying Asset;

**“Client”** means a natural or legal person, accepted by the Company as its Client, to whom services will be provided by the Company under the “Terms of Business “;

**“Collateral”** means any securities or other possessions deposited with the Company's Execution Venue;

**“Company”** means LMFEX ,a company registered in the Republic of Macedonia under the registration number 0805-50/150120150016083;

**“Company's Website”** means [www.lmfx.com](http://www.lmfx.com);

**“Contract”** means any contract, oral or written, for the purchase or sale of any commodity, security, currency or other financial instruments or property, including any derivative contracts such as options, futures, CFDs or other transactions related thereto, entered into by the Company and the Client;

**“Counterparties”** mean banks and/or brokers through whom the Company may cover its transactions with Clients;

**“Durable Medium”** means any instrument which allows the Client to keep information in a way accessible for future reference for a period of time adequate for purposes of the information and which enables the unchanged reproduction of the information stored;

**“Equity”** equals (Balance + Floating Profit & Loss + Swap).

**“Event of Default”** has the meaning given to this term in Clause 12 of the document “Terms of Business” , available on Company's Website;

**“Execution Venue”** the counterparty for transactions and holder of the Clients securities or other assets deposited;

**“Floating Profit/Loss”** means the unrealized profit (loss) of open positions at current prices of the Underlying Assets;

**“Free Margin”** means the funds not used as guarantee to open positions, calculated as:  
Free Margin=Equity-Margin;

**“Margin”** means the required guarantee funds to open positions and maintain Open Positions, as specified in the Spreads and Conditions Schedule;

**“Margin Call”** when the Margin posted in the margin account is below the minimum margin requirement, the Company's Execution Venue issues a Margin Call and in this case the Client will have a) to increase the Margin that he has deposited, or b) to close out his position(s). If the Client does not do any of the afore stated, the Execution Venue shall have the right to close the Client's positions;

**“Margin Level”** means the percentage of Equity to Margin ratio. It is calculated as: Margin Level = (Equity/Necessary Margin) x 100;

**“Market Maker”** means a dealer in securities or other assets who undertakes to buy or sell at specified prices at all time;

**“Market Rules”** means the rules, regulations, customs and practices from time to time of any exchange, clearing house or other organization or market involved in the conclusion, execution or settlement of a Contract any exercise by any such exchange, clearing house or other organization or market of any power or authority conferred on it;

**“Open Positions”** means any position/transaction that has not been closed. For example, an open long position not covered by the opposite short position and vice versa;

**“Orders”** means any trading transactions executed on the Company’s trading platforms by the Client;

**“OTC”** means any Contract concerning a commodity, security, currency or other financial instrument or property, including any option, future, or CFD which is not traded on a regulated stock or commodity exchange but “over the counter”;

**“Principal”** means the individual person or the legal entity which is a party to a transaction;

**“Security”** means any securities or other assets deposited with the execution venue;

**“Services”** means the services to be provided by the Company to the Client interpreted by these Terms. Services is inclusive of any dealing, order routing, advisory or other services which the Company provides from time to time to the Client by remote access via the Internet and which are subject to these Terms;

**“Spread”** means the difference between the Ask Price and the Bid Price;

**“Spreads and Conditions Schedule”** means the schedule of spreads, charges, margin, interest and other rates which at any time may be applicable to the Services as determined by the Company on a current basis. The Spreads and Conditions Schedule is available on the Company’s Website and may be supplied to the Client on demand;

**“Stop Out”** means the closing of Client’s Open Position(s) without any prior notice in case of insufficient funds required to maintain Open Positions based on the Stop Out Level indicated in the features and/or specifications of each trading account type and bonus scheme available on the Company’s Website;

**“Swap”** means the funds withdrawn or added to the Client’s Account from rolling over (transfer) of an open position to the next day;

**“Terms”** mean terms of business covering all the actions related to the execution of your (Client’s) trades;

**“Trade Confirmation”** means a notification from the Company’s trading platform to the Client confirming the Client’s entry into a Contract;

**“Trading Platform”** means any online trading platform made available to the Client by the Company for placing orders, requesting quotes for trades, receiving price information and market related news as well as having a real-time revaluation of the open positions, through the Internet;

**“Underlying Asset”** means underlying asset is the financial instrument (e.g. stock, futures, commodity, currency, index) on which a derivative's price is based;

5.2 “In writing or written” means inclusive of electronic form.

5.3 If there is any conflict between this Agreement and relevant Market Rules, the Market Rules shall prevail;

5.4 Any reference in these Terms to a person shall include bodies' corporate, unincorporated associations, partnerships and individuals;

5.5 Any headings and notes employed in these Terms are intended for convenience purpose only and must not affect the content and interpretation of these Terms;

## **6. Capacity**

6.1 The Parties are entering into this Agreement as principal to principal.

6.2 The Client is acting as a principal and not as agent, representative, trustee or custodian on behalf of someone else. The Client may act on behalf of someone else only if the Company gives specific permission to this in writing , provided that all the necessary documents required by the Company for this purpose are received.

6.3 Even if the Client establishes a legal or natural person ('The third party') ,responsible for acting on the Client's behalf, through a power of attorney, the Company is not accepting the third party as a Client, unless agreed otherwise. No information is to be revealed to the third party in relation to the Client and/or the Clients trading activity. Nevertheless, the third party can give instructions to the company on the Client's behalf.

## **7. Assurances and Guarantees**

The Client assures and guarantees that:

7.1 The funds deposited with the Company, belong to the Client, are free of any lien, charge, obligation or any other obstruction.

7.2 The funds are not direct or indirect proceeds of any illegal act , omission or product of any illegal activity and

7.3 The Client acts for himself and does not represent any third person.

7.4 The Client guarantees the authenticity and validity of any document sent to the Company during the account opening process and the life of the account.

## **8. Services**

8.1 Under these Terms, the Client can carry out the transactions with the Execution Venue in the following financial instruments:

- a) CFD on currencies, equities, precious metals, commodities, financial indices, future contracts and any other trading tools.
- b) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, commodities, interest rates or yields, or other derivative instruments, financial indices or financial measures which can be settled in cash.

8.2 Orders may be placed as market Orders to buy or sell as soon as possible at the price available in the market, or on selected products as limit and stop Orders to trade , when the price reaches a predefined level. Limit Orders to buy and stop orders to sell must be placed below the current market price, and limit Orders to sell and stop Orders to buy must be placed above the current market price. If the bid price for sell Orders or ask price for buy Orders is reached, the Order will be filled as soon as possible at the price obtainable in the market. Limit and stop Orders are executed consistent with the Company's Best Execution Policy and are not guaranteed executable at the specified price or amount, unless explicitly stated by the Company for the specific Order.

8.3 The Client will, unless arranged otherwise in writing, enter into Contracts as Principal with the Company. If the Client acts on behalf of a Principal, whether or not the Client identifies that Principal to the Company, the Company is not obliged to accept the said Principal as the Client, and therefore is not entitled to accept the Client as Principal in relation to the Contract.

## **9. Liability**

9.1 The Company shall at all times process clients transactions in good faith.

9.2 The Company takes no responsibility for any acts or omissions concluded by either a natural or legal person providing the Company with information in relation to the execution of the clients transactions, unless such acts or failures were the result of negligence or fraud on behalf of LMFx.

9.3 The Company bears no responsibility for any loss of opportunity resulting in reduction of values of the Client's transactions, irrespective of the cause of such reduction, except to the extent that reduction happened as a direct after-effect of the Company's intentional actions or negligence.

9.4 The Company takes no responsibility for any loss that has arisen as a result of the acts or omissions of the institution or its employees, including but not limited to instances false or fallacious information provided by the Client.

## 10. Instructions

10.1 The Client may deliver the Company oral or written instructions (which must include instructions provided via the internet or by email as described below). The Company acknowledges the reception of such instructions orally or in writing, as convenient.

10.2 The Client must inform the Company about the identity of any persons authorized to give instructions to the Company on behalf of the Client. Such notice must be in writing and shall set out the names and specimen signatures of the person(s) to be authorized. Any such authority may be cancelled by notice in writing by the Client, but will only be effective upon Company's written confirmation and the Company's receipt of notice of revocation. The Company is not liable for any loss, direct or indirect, resulting from the Client's failure to notify it of such revocation.

10.3 The Company will be entitled to act upon the oral or written instructions to any person so authorized or any person who appears to the Company to be an Authorized Person, despite that the person not being authorized so.

10.4 Once an instruction has been given by or on behalf of the Client, it can not be retracted or amended without the Company's expressed permission. The Company may at its absolute discretion reject any dealing instruction given by or on behalf of the Client without giving any reason or being responsible for any loss occurred thereby.

10.5 The Client must promptly deliver to the Company any instructions that the Company may require of the Client. If the Client does not provide such instructions instantly, the Company may take such steps at the Client's cost, as the Company evaluates as appropriate for its own protection or for Client's protection. This measure is also applicable in situations when the Company is unable to obtain contact of with the Client.

10.6 The Company is not responsible for any loss, expense, cost or liability suffered or incurred by the Client as a result of instructions being given, or any other communications being made, via the Internet. The Client will be entirely responsible for all orders and for the veracity of all information, sent via the Internet using the Client's name or personal identification number. The Company will never execute an order until it has confirmed the order to the Client and transmission of an order shall not give rise to an obligatory Contract between the Execution Venue and the Client.

10.7 If the Company does not receive instructions from the Client to settle any open Contracts by the end of the Business Day, the Company is herewith authorized (but not obliged) to transfer all these Contracts to the next business date. (Rollover)

10.8 The Company may (but is not obliged) require confirmation in such form as the Company may reasonably request if an instruction appears to the Company that such confirmation is necessary or desirable; or such instruction is to close an Account or remit money due to the Client.

10.9 In general, the Company must act according to instructions as soon as practically possible. It must also, as far as trading instructions are concerned, act in accordance with the Company's Best Execution Policy. If the Company believes, after receiving the instructions, that it is not possible to act upon such instructions within a reasonable time, the Company may postpone acting upon those instructions until it is, in the Company's

sensible opinion, practicable to do so or notify the Client that the Company is refusing to act upon such instructions. The Company shall not be liable for any losses resulting from such deferment or rejection.

10.10 The Company is, in accordance with its Best Execution Policy, authorized to merge the Client's orders with the bank's own orders, orders of any of the Company's associates and/or persons connected with the Company including employees and other clients. Moreover, the Company may split the Client's orders when executing them. The orders will only be aggregated or split if the Company reasonably believes it to be in the best interest of the Client. In some situations, aggregation and split of the Client's order may result in the Client obtaining a less favorable price than if the Client's orders had been executed separately or mutually.

10.11 The Client acknowledges that the Company may record all telephone conversations, internet conversations (chat), and meetings between the Client and the Company and use such recordings, or their transcripts, as evidence in any dispute or expected dispute between the parties.

10.12 If the Client is more than one person (for example, joint account holders):

- a) the liabilities of each such person are joint and several;
- b) the Company may act upon instructions received from any person who is, or appears to the Company to be, such a person, and;
- c) any notice or other message presented by the Company to one of the persons it is considered to be presented to all said persons.

10.13 If the Client administers several Accounts (or sub-accounts) and opposite positions are opened on different Accounts (or sub-accounts), the Company does not close out such positions. The Client is made aware that unless closed manually, all these positions may be rolled over on a continuous basis and thereby consequently all incur a cost for such roll-over.

## **11. Recording of Telephone Calls**

11.1 The content of any telephone call ('The telephone record') between the Client and the Company can be recorded and saved . The Client agrees that the Company has the right to use the telephone records when it finds necessary, including but not limited to, situations when a dispute arises between the Client and the Company.

11.2 All instructions received from the Client during a telephone call, in relation to trading financial instruments are indisputable and binding.

11.3 The Company may transmit copies of such recordings of telephone calls to a regulatory authority of a competent authority without informing the Client.

## **12. Direct Contact Consent**

12.1 The Client consents that any communication received by the company, from time to time, in relation to the account opening agreement- or any other communication in relation to marketing – does not violate any of the Client's rights under the Company agreement.

## **13. Client Funds**

13.1 All funds, handed over by the Client to the Company, intended for the provision of Investment Services, as in Clause 3 above, will be held in separate client accounts named as Client Account together with money of other Clients segregated from the funds belonging to the Company.

13.2 Unless the Client informs the Company in writing or otherwise, the Company may allow a third party, such as an exchange, a clearing house or an intermediate broker to hold or control Client Funds. In this case the Company transfers the Client Funds (a) for the purposes of a transaction for the Client through or with that person; or (b) to meet Clients obligations to provide guarantee for a transaction (e.g. an initial margin requirement for a derivative transaction).

13.3 The Client authorizes the Company to make any deposits and withdrawals from the Client's Account on his behalf including withdrawals for the settlement of all transactions undertaken under the Terms and all amounts which are payable by or on behalf of the Client to the Company or any other person.

13.4 Unless the Parties agree otherwise, in writing, any amount payable by the Company to the Client, will be paid directly to the Client.

13.5 The Company may at its discretion from time to time and without Client's consent set off any amounts held on Client's behalf against the Client's obligation to the Company.

13.6 The Client has the right to withdraw the funds which are not used for margin covering, free from any obligations (Free Margin) from his Account without closing the said account. For the withdrawal to be processed the Client must have satisfied the full KYC and Compliance of the company by submitting full documentation.

13.7 Money transfer request (withdrawal from trading account) is processed within three Business Days after receiving the Client's request . The transferred amount reduces the balance of the Client's sub-account. The Company reserves the right to reject a withdrawal request if the request is not in accordance with Clause 15 below, or delay the processing of the request if not satisfied on full documentation of the Client.

13.8 The Client agrees to pay any requested bank transfer fees when withdrawing funds from the Client's Account to his designated bank account. The Client is fully responsible for payments details, given to the Company .The Company accepts no responsibility for the Client's funds,if the details given by the Client are wrong. It is also understood that the Company accepts no responsibility for any funds, which have been not transferred directly into the Company's bank accounts.

13.9 The Client agrees that any amounts sent by the Client or on the Client's behalf to the Company's bank account will be deposited to the Client's Account at the value date of the payment received and net of any fees charged by the bank account providers or any other intermediary involved in such transaction process. The Company must be satisfied that the sender is the Client or his authorized representative, before making any amount available to the Client's Account, otherwise the Company reserves the right to refund / send back the net amount received to the sender by the same method as received.

13.10 Withdrawals should be made using the same method used by the Client to fund his Account and to the same remitter. The Company has the right to decline a withdrawal with specific payment method and propose another payment method where the Client needs to proceed with a new withdrawal request, or request further documentation while processing the withdrawal request. If the Company is not satisfied with any documentation provided by the Client, it will reverse the withdrawal transaction and deposit the amount back to the Client's Account.

13.11 The Client agrees to renounce any of his rights to receive any interest earned in the money held in the Bank Accounts and agrees that the Company will benefit for such an interest earned to cover registration / general expenses / charges and other fees and interest related to the administration and maintenance of the bank accounts.

#### **14. Company's Spreads and Conditions**

14.1 By accepting the Terms, the Client has read, understood and accepted the information under the spreads and conditions found on the Company's Website, where all related spreads, charges, margin, interest and other rates are explained. The Company reserves the right to amend at discretion all such spreads, charges, margin, swaps and other rates, the most recent information on such amendments will be available on the Company's website which the Client must review during the period the Client is dealing with the Company.

14.2 The Company is entitled, but is not in any circumstances obliged, to convert:

- a) any realized gains, losses, option premiums, commissions, interest charges and brokerage fees which arise in a currency other than the Client's base currency (i.e. the currency in which the Client's Account is denominated) to the Client's base currency;
- b) any cash currency deposit to another cash currency deposit for the purpose of purchasing an asset denominated in a currency other than the Client's base currency;
- c) any monies held by the Company for the Client into such other currency as the Company considers necessary to cover the Client's obligations in that currency.

14.3 Whenever the Company conducts currency conversions, the Company will do so at such reasonable rate of exchange as the Company chooses. The Company is authorized to add a mark-up to the exchange rates.

14.4 The Company may share commissions and charges with its associates, Business Introducers or other third parties or receive remuneration from them in respect of Contracts

entered into by the Company. Details of any such reward or sharing arrangement will not be set out on the relevant Trade Confirmations. The Company (or any of its associates) may benefit from commission, mark-up, mark-down or any other reward where it acts for the Counterparty to a Contract.

14.5 In respect of any transactions to be effected OTC (Over the Counter), the Company is entitled to quote prices at which it is prepared to trade with the Client. Save where the Company exercises any rights it may have under the Terms to close a Contract, it is the Client's responsibility to decide whether or not he wishes to enter into a Contract at such prices.

14.6 The Company has the right to archive the Client trading account if the Client does not log in for a period of 90 calendar days. The archived trading account can be restored upon request to [support@lmfx.com](mailto:support@lmfx.com). An archived account is not considered as a terminated account.

## **15. Margin Deposits, Collateral and Payment**

15.1 The Client is obliged to pay to the Company on demand:

- a) Such sums of money by way of deposits or as initial or variation Margin as the Company may from time to time request;
- b) Such sums of money as may from time to time be due to the Company under a Contract and such sums as may be required in or towards clearance of any debit balance on any Account;
- c) Such sums of money as the Company may from time to time require as security for the Client's obligations; and
- d) Any sums necessary for maintaining a positive balance in any and all Accounts.

15.2 With the prior written consent of the Company on each occasion, the Client may deposit Security with the Company or provide the Company with a guarantee or indemnity from a person and in a form permitted by the Company instead of cash, to comply with its obligations. The Client is made specifically aware that the Company may determine the value by which Security shall be registered and consequently contribute to the Company's demand. The Company may change such value of Security without prior notice to the Client as market values for such a security prevail.

15.3 The Client shall promptly deliver any money or property deliverable by it under a Contract in accordance with the Terms of that Contract and with any instructions given by the Company for the purpose of enabling the Company to perform its obligations under any corresponding Contract entered into between the Company and a third party.

15.4 If the Client fails to provide any Margin, deposit or other payable amount in accordance with the Terms, the Company may close out any open Contract without prior notice to the Client and apply any proceeds thereof to payment of any amounts due to the Execution Venue.

15.5 In case that a negative balance occurs in the Client's Trading Account due to Stop Out, the Company will make a relevant settlement of the full negative amount so as the Client not to suffer the loss.

15.6 The Company has the right to return the funds deposited by the Client with the Company, to the Client at any time with or without reasons.

15.7 If the funds are incorrectly placed into the Client's account and/or withdrawn, the Company has the right to retrieve these funds, either directly from the account in question or via any other accounts held by the account holder with the Company.

15.8 In the event that there are open trades within the account ,the Company will contact the Client via email and inform him that any trades must be closed. Failure of the Client to comply could result in insufficient funds in his account to hold the positions that are open and could eventually lead to the stopping out of the open positions. The Company will not be held liable for such events causing any direct or indirect Client's loss.

## **16. Account Reporting and Trade Confirmation**

16.1 The Company will make available to the Client a Trade Confirmation regarding any transaction or Contract entered into with or for the Client and in respect of any open position closed by the Company for the Client. Trade Confirmations will normally be available instantly following the execution of the transaction through the Trading Platform.

16.2 An Account Detailed Report is available to the Client through the Trading Platform. The Account Detailed Report will normally be updated periodically during the Company's operating hours. By accepting the Terms the Client acknowledges not to receive any Trade Confirmations or Account Detailed Reports in printed form from the Company other than upon specific request.

16.3 The Client must verify the content of all document received from the Company, including documents sent in electronic form. Such documents shall, in absence of manifest error, be conclusive unless the Client notifies the Company in writing to the contrary within two (2) Business Days of receiving such document. In case that the Client believes to have entered into a transaction or Contract, which should have produced a Trade Confirmation or otherwise a posting on the Client's Account, but the Client has not received such confirmation, the Client must inform the Company immediately. In the absence of such information, the transaction or Contract may at the Company's reasonable discretion be deemed non-existent.

## **17. Conflicts of Interest**

17.1 The Company, its associates or other persons or companies connected with the Company may have an interest, relationship or arrangement that is material in relation to any transaction or Contract effected, or advice provided by the Company, under the Terms. By accepting these Terms and the Company's Conflict of Interest Policy the Client agrees

that the Company may transact such business without prior reference to any potential conflict of interest.

## **18. Business Introducer/Affiliate**

18.1 When the Client is introduced to the Company through a Business Introducer/ Affiliate, Client acknowledges that the Company is not responsible for the conduct and/or representations of the Business Introducer or its associated persons .The Client agrees to surrender any claims the Client may have against the Company, and to indemnify and hold the Company harmless for any actions or omissions of the Business Introducer or its associated persons.

18.2 The Client acknowledges and confirms that:

- a) the Company does not have any responsibility for any agreements between the Client and the Business Introducer;
- b) his agreement with the Business Introducer may result in additional costs, since the Company may be obliged to pay commission fees or charges to the Business Introducer;
- c) the Business Introducer is authorized to have "View Only" access to one or more terminals, including terminal access through internet browser, to electronically monitor the activities of Clients' Accounts introduced by the Business Introducer to the Company.

18.3 If the Client is referred to the Company by a Business Introducer there may be an extra fees, commission or non-monetary benefit paid or provided to the Business Introducer. The Client may request on demand from the Company this information.

In summary the Company charges all its Clients spreads that are in accordance with the information under the 'Trading - Products' section located at [www.lmfx.com](http://www.lmfx.com). If higher spreads are applied these are due to the Client coming to the Company via a Business introducer. The Business Introducer will be paid by the Company the commission earned by the Clients trading volume. That commission to the Business Introducer may be paid by the Company even if mark ups are not existent.

By accepting this Account Opening Agreement the Client agrees that commissions based on the Client's traded volume may be paid to the Business Introducer.

## **19. Acknowledgements**

19.1 The Client acknowledges, recognizes and understands that trading and investments in leveraged as well as non-leveraged Contracts is highly speculative, may involve an extreme degree of risk and is suitable only for persons who, if they trade on margin, can assume risk of loss in excess of their margin deposit.

An example of a leveraged product is a Forex account with a leverage of higher than 1:1.

19.2 The Client acknowledges and confirms that he has read, understood and agreed to the following:

a) because of the low margin normally required in margined transactions, price changes in the underlying asset may result in significant losses, which may strongly exceed the Client's investment and margin deposit;

b) certain market conditions may make it difficult or impossible to execute orders at a stated price;

c) when the Client directs the Company to enter into any transaction, any profit or loss arising as a result of a fluctuation in the value of the asset or the underlying asset will be entirely for the Client's account and risk;

d) the Company will never provide any trading advice to the Client. Therefore the Client agrees not to hold the Company responsible for losses incurred as a consequence of the Company's recommendations or suggestions or those of its employees, associates or representatives, unless the Company has exercised gross negligence in connection herewith;

e) the Company will not conduct any continuous monitoring of the transactions already entered into by the Client. Therefore, the Company can not be responsible for the transactions developing differently from Client's expectations and/or to his disadvantage;

f) guarantees of profit or freedom from loss are totally impossible in investment trading;

g) the client has not received no such guarantees from the Company, from a Business Introducer, or representatives hereof or any other entity with whom the Client is conducting a Company account.

h) the Company shall not provide any advice to the Client on any tax issues related to any Services. The Client is advised to obtain individual independent counsel from its financial advisor, auditor or legal counsel with respect to tax implications of the respective Services;

i) The Client further acknowledges, recognizes and understands that many Contracts will be effected subject and in accordance with Market Rules. Market Rules usually contain far-reaching powers in an emergency or otherwise undesirable situation. The Client agrees that if any exchange or clearing house takes any action affecting a contract, then the Company may take any action which it considers desirable in the interests of the customer and/or the Company. The Company will not be liable for any loss suffered by the Client as a result of such actions unless the Company has exercised gross negligence in connection hereby;

j) The Company offers various types of trading accounts with different features and specifications. The details about aforementioned features/specifications can be found on the Company's Website. The Client is under an obligation to refer to the Company's Website and read any information relevant to the features/specifications of the trading account(s). The Company reserves the right to make any modifications to the features/specifications of the trading accounts and such modifications will take effect upon publication. The Client should visit the Company's Website regularly to review such alterations and any other updates of the trading account;

k) In the event that Hedged Positions (opposing trades in the same instrument) are opened, margin is applied for the first leg of the hedged position.

## **20. Representations and Warranties**

20.1 The Client represents and warrants that:

a) he does not have any legal disability with respect to, and is not subject to any law or regulation which prevents his performance of the Terms or any transaction contemplated by the Terms;

b) he has obtained all necessary consents and has the right to operate to according the Agreement and, if the Client is a company, it is properly authorized and has obtained necessary corporate or other authority pursuant to its constitutional and organizational documents;

c) funds, investments or other assets supplied by the Client for any purpose, subject to the Agreement, will at all times be free from any charge, lien, pledge or encumbrance and shall be beneficially possessed by the Client;

d) it is in compliance with all laws to which it is subject including, without limitation, all tax laws and regulations, exchange control requirements and registration requirements;

e) the information provided by the Client to the Company is complete, accurate and not misleading, all the documents handed over by the Client are valid and authentic;

f) the Client has read and fully understood the terms of this "Account Opening Agreement" document.

g) the Client is acting as a principal , not as agent , representative , trustee or custodian on behalf of someone else. The client may act on behalf of someone else only if the Company specifically agrees with this in writing, provided all the documents required by the Company for this purpose are received;

h) the Client is the individual who has completed the Account Opening Application Form or, if the Client is a company, the person who has completed Account Opening Application Form on the Client's behalf is appropriately authorized to do so;

i) all actions performed under the Agreement will not violate any law or rule applicable to the Client or to the jurisdiction of Client's residency, or any agreement by which the Client is bound or by which any of the Client's assets or funds are affected;

j) the Client funds are not in any direct or indirect way the proceeds of any illegal activity or used or intended to be used for terrorist financing;

k) the Client has chosen the specific type of service and financial instrument, taking his total financial circumstances into reasonable consideration ;

l) the Client has declared when asked if he is a Politically Exposed Person and will notify the Company if at any stage during the course of this Agreement, if he becomes a Politically Exposed Person;

m) there are no restrictions on the markets or financial instruments in which any Transactions will be sent for execution, depending on the Client's nationality or religion.

## **21. Indemnity and Limit of Liability**

21.1 The Client must indemnify the Company and keep the Company indemnified against all losses, expenses, costs and liabilities (present, future, contingent or otherwise and including reasonable legal fees) which may be suffered or incurred by the Company as a result of or in connection with any of the following:

- a) the Terms have been violated by the Client; or
- b) the Company enters into any transaction or Contract.

21.2 This indemnity shall endure termination of the Terms.

21.3 The Company is not liable for

- a) any loss, expense, cost or liability (together "Loss") incurred by the Client unless such Loss is incurred as a result of the Company's gross negligence or intended default of obligations ; or
- b) any loss caused by actions of the Company, within the limits of realization of its rights, stated in these Terms;
- c) any other loss suffered by the Client whether arising from the Company's negligence or otherwise; or
- d) any loss suffered by the Client as a result of any third party (including any Counterpart or any person whom the Company engages in connection with a Contract, for example an intermediate broker) failing to perform its obligations to the Company.

21.4 Especially, the Client acknowledges, understands and agrees that any market recommendation and any information communicated by the Company does not mean an invitation to buy or sell or the solicitation of an offer to buy or sell a Contract. Such recommendation and information, although based upon information from sources believed by the Company to be reliable, may be based solely on a vendor's opinion (such as a third party market analysis provider) and therefore such information may be incomplete , unverified and unverifiable. The Company makes no representation, warranty or guarantee as such information, and is not responsible for its accuracy and/or completeness.

21.5 The Client must indemnify the Company and keep the Company indemnified against all losses, which the Company may suffer as a result of:

- a) Any error in any instruction given by an Authorized Person; or
- b) Acting on any instruction, which is, or appears to be, from an Authorized Person.

## **22. Communication**

22.1 Communications are to be made to the Client at his address, telephone, facsimile or email address saved by the Company for this purpose.

22.2 Unless otherwise agreed in writing, all communications shall be made in the English language and shall be delivered by prepaid first class post, e-mail or facsimile transmission or by delivering it by hand to the Client's current address .

Translation or information provided in languages other than English serves for informational purposes only. It does not bind the Company, it has no legal effect and the Company has no responsibility or liability regarding the correctness of the information therein.

22.3 Any notice/communication sent to the Client by:

a) post shall be deemed to have been served, in the case of service in Macedonia 48 hours after dispatch and, in the case of service outside Macedonia, seven (7) days after dispatch.

b) facsimile shall be deemed to have been served at the moment of receipt of a positive transmission notice by the sender.

c) e-mail shall be deemed to have been served when received at the destination site or the address provided by recipient to the sender to be its e-mail address.

22.4 In proving service it will be sufficient to prove :

a) in the case of a letter, that it was properly stamped, addressed and placed in the post;

b) in the case of a facsimile transmission, that it was fully dispatched to a current or facsimile number of the addressee;

c) in the case of e-mail, that the sender has received a valid message confirmation delivery.

22.5 The Client ensure that at all times the Company will be able to communicate with the Client or his appointed representative by telephone, facsimile or email.

22.6 Communications can be made to the Company at the address and telephone number announced to the Client for this purpose and shall be considered to have been duly made only upon their actual receipt by the Company.

22.7 The Client may modify his/her communication details by written notice to the Company.

## **23. Termination**

23.1 The Client relationship shall remain effective until terminated.

23.2 Either party has the right to terminate cooperation immediately by giving written notice to the other. Termination will not affect any accumulated rights. The Company will provide the notice to the Client either by phone or email (or both).

23.3 The Company can terminate this Agreement with immediate effect without notice in an event of Default of the Client.

23.4 In case the Client involves the Company directly or indirectly in any type of fraud, the Company reserves the right to reverse all previous transactions which place the Company's interest and/or its Clients interest at risk before the termination of cooperation with the respective Client. The Company will use its best judgment to determine the existence of fraud.

23.5 Termination by any Party will not affect any obligation which has already been created by either Party in respect of any Open Position or any legal rights or obligations which may already have arisen under the Agreement or any Transactions and deposit/withdrawal operations made there under.

23.6 Upon termination of this Agreement, all amounts payable by the Client to the Company will become immediately due and payable, including (without limitation):

- a) all outstanding Costs and any other amounts payable to the Company;
- b) any dealing expenses that have arisen by terminating the Agreement and charges incurred for transferring the Client's investments to another investment firm;
- c) any losses and expenses realized during closing out any Transactions or settling or concluding outstanding obligations incurred by the Company on the Client's behalf;
- d) any charges and additional expenses incurred or to be incurred by the Company as a result of the termination of the Agreement;
- e) any damages which arose during the arrangement or settlement of pending obligations.

23.7 Once notice of termination of this Agreement is sent or upon termination (when a notice is not required) the following will apply:

- a) the Client will be required to close all his open positions. If he fails to do so, upon termination, the Company will close any of his open positions;
- b) the Company will be entitled to cease the Client's access to the Platform or may limit the Platform's functionalities that Client will be allowed to use ;
- c) the Company will be entitled to refuse to open new positions for the Client;
- d) the Company will be entitled to refuse to the Client to withdraw money from the Client Account and the Company reserves the right to keep Client's funds as necessary to close positions which have already been opened and/or pay any pending obligations of the Client under this Agreement.

23.8 Upon Termination: the Company reserves the right to :

- a) merge any Client Accounts of the Client, to consolidate the Balances in such Client Accounts and to set off those Balances;
- b) close the Client Account(s);

c) convert any currency;

d) close out all or any of the Client's Open Positions at current Quotes;

If there is Balance in the Client's favour, the Company will pay such Balance to the Client as soon as reasonably practicable and supply him with a statement showing how that Balance was arrived at and, where appropriate, instruct any Nominee or/and any Custodian to also pay any applicable amounts. Such funds shall be delivered in accordance to the Client's Instructions to the Client.

## **24. Amendments**

24.1 The Company reserves the right to amend these Terms at any time by written notice to the Client. Such changes will become effective on the date specified in the notice, which will be at least one week after the Client is notified by a message posted on the 'Company News' section within the website [www.lmfx.com](http://www.lmfx.com), by email or any other appropriate means, unless any relevant law, regulation, rule or action of any applicable government or regulator requires otherwise.

## **25. Information Disclosure**

25.1 By accepting these Terms the Client hereby authorizes the Company to disclose such information concerning the Client, which may be required by any law, rule or regulatory authority, including any applicable Market Rules, without prior notice to the Client. Furthermore, the Company is entitled to disclose necessary and required information about the Client to third parties in the Republic of Macedonia, or outside of it, to facilitate the transfer of funds from the Client's credit card.

## **26. Governing Law and Jurisdiction**

26.1 These Terms shall be governed by and construed in accordance with the Laws of the Republic of Macedonia.

## **27. Miscellaneous Provisions**

27.1 If at any time, any provision of the Terms 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 these Terms under the law of that jurisdiction nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected.

27.2 No delay or omission on the part of the Company in exercising any right, power or remedy provided by law or these Terms, or partial or defective exercise thereof, shall:

a) depreciate or prevent further or other exercise of such right, power or remedy; or

b) serve as a waiver of such right, power or remedy.

27.3 No waiver of any infringement of any term under these Terms shall (unless expressly agreed in writing by the waiving party) be construed as a waiver of a future breach.

27.4 The Client is not allowed to transfer any of its rights or delegate any of the Client's obligations under the Terms to any other person, whilst the Company may assign its rights or delegate its obligations to any publicly regulated financial institution.

27.5 If the Company effects a transaction with or for the Client, this should not be interpreted as the Company recommends or concurs such transaction or that the transaction is suitable for the Client.

## **28. Force Majeure Event**

28.1 The Company is not responsible for any failure, obstacle or delay in performing its obligations under these Terms where above mentioned arises directly or indirectly from circumstances beyond its reasonable control. Such force majeure events include without limitation: any technical difficulties such as telecommunications failures or disruptions, non-availability of the Company's website e.g. due to maintenance downtime, declared or imminent war, revolt, civil unrest, nature catastrophes, statutory provisions, measures taken by authorities, strikes, lock-outs, boycotts, or blockades, despite that the Company is a party to the conflict and including cases where only part of the Company's functions are affected by such events.

28.2 The Company, in its reasonable opinion, specifies that a force majeure occurred; under such circumstances the Company shall take all reasonable steps to inform the Client.

28.3 A force majeure event is an event or circumstance, including but not limited, to any natural, technological, political, governmental, social, economic or similar event or circumstance that occurred after a transaction in a financial instrument occurred and such event or circumstance has not been anticipated at the date of entering into the transaction. In addition , a force majeure event may include illegitimate actions against the Company's servers that may be outside the control of the Client or the Company.

28.4 If the Company determines that a force majeure event occurred, without prejudice to any other rights of the Client under the Account Opening Agreement, the company can:

- a) Increase margin requirements;
- b) increase spreads;
- c) decrease leverage;
- d) close out, in good faith, any open positions at a price that the Company considers reasonable;
- e) request amendments to any closed positions;
- f) interrupt the provision of the Services to the Client;

g) modify any of the content included in the Agreement when found out that it is impossible for the Company to comply with it;

h) suspend or modify the application of any or all terms of the Agreement to the extent that the Force Majeure Event makes it impossible or impractical for the Company to comply with them;

l) take or skip all such other actions as the Company deems to be reasonably appropriate in the circumstances, with regard to the position of the Company, the Client and other clients.

## **29. Advice and Provision of Information**

29.1 The Company will not advise the Client about the merits of a particular Transaction or give him any form of investment advice. The Client acknowledges that the Services do not include the provision of investment advice in CFDs or the Underlying Markets. The Client alone will enter into Transactions and take relevant decisions based on his own judgment. In asking the Company to enter into any Transaction, the Client acknowledges that he is exclusively responsible for making his own and independent decision and evaluation of risks of such Transaction(s). He represents that he has sufficient knowledge, professional advice and experience to make his own assessment of the merits and risks of any Transaction. The Company gives no warranty as to the suitability of the products to the Client traded under this Agreement and assumes no fiduciary duty in its relations with the Client.

29.2 The Company is not under any obligation to provide the Client with any legal, tax or other advice relating to any Transaction. The Client should seek independent expert advice. Tax laws are subject to change from time to time.

29.3 The Company may from time to time provide the Client (in newsletters, via its Website or the Platform or otherwise) with information, recommendations, news, market commentary or other information but not as an obligatory service. Where it does so:

a) the Company is not responsible for such information;

b) the Company gives no guarantee as to the accuracy, veracity or completeness of such information or as to the tax or legal consequences of any related Transaction;

c) this information is provided only to help the Client to make his own investment decisions and does not count as investment advice or unsolicited financial promotions;

d) 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, the Client must not pass it on to any such person or category of persons;

e) the Client accepts that prior to dispatch, the Company may have acted upon it itself to make use of the information on which it is based. The Company does not make representations as to the time of receipt by the Client and cannot guarantee that he will receive such information at the same time as other clients;

29.4 The market commentary, news or any other information provided are likely to change and may be withdrawn at any time without notification.

### **30. Chargeback Policy**

30.1 The Company has a right to charge a 150 USD “research fee” if a chargeback is placed with Client's credit card company (intentionally or unintentionally) for any deposit made to his account. This fee will be used to ensure all investigative expenses, proving that the deposit was made by the Client upon receiving the chargeback from Company's merchant provider.

30.2 All frauds, including credit card fraud are not accepted, with any such fraud being fully investigated and pursued under the law to its fullest extent. Any losses resulting on Company's behalf will be pursued in a civil lawsuit and the Company will claim back all business and legal fees, research costs, human resource costs and loss of income.

30.3 The Company has installed systems, monitoring fraudulent activities. Any transactions of such nature detected are immediately cancelled, together with all orders associated with these transactions. The Company has at its disposal a database of black listed users to prevent and eliminate any possible fraudulent activity through the Company's Trading Platform.

30.4 Any chargebacks made to the Company will be considered as fraudulent if the Client will not help with solving possible issues related to a deposit. All unnecessary chargebacks result in expenses for the Company , therefore :

a) When the Company detects a suspicious activity relating to any deposit, the respective deposit will be placed as “Pending” and fraud detection controls will be performed during this time. Access to the respective account will be temporarily forbidden.

b) All reviews will be generally completed as soon as possible within a 12 hour window. Nevertheless, it may take longer, especially for those deposits posing potentially higher risk , when more extensive and deeper checks will be performed.

The Company can also contact the Client directly. The deposit will be instantly cancelled and the funds will be refunded to the Client's credit card, when the deposit is considered as a high-risk or when it does not comply with Company's Fraud and Security policies. In such case the Company may close any (and all) of the Client's accounts. Any active orders will be withdrawn immediately if associated with the same fraudulent credit card or/and trading account.

c) Any unsuccessful chargeback case made against the Company will result in the amount being reimbursed, along with charges for research and processing, totaling 300 USD (Including the 150 USD “research fee” as mentioned above and an additional 150 USD fee for administrative processing.) Through this Agreement the Client gives a permission to the Company to make such charges through his credit card. If these charges are disputed in any way, the Company reserves the right to take any legal action necessary in order to claim back any losses associated.

The Company will enforce its right to block the Client's online trading facility and terminate his account opened with the Company. Consequently, any profits or revenues may be confiscated and the third party will be informed. The Company is continuously developing tools for monitoring the fraudulent activities, any cases of such nature detected will be decided on by the Company and the decision made shall be final and non negotiable.

d) The Company reserves the right to freeze the disputed amount, until the investigation is completed.

30.5 If the Fraud is considered as very serious by the Company, all IP addresses are monitored and logged and any suspicious chargebacks will be fully investigated under the law. Any findings may be forwarded to the relevant authorities or payment card provider.