

CLIENT AGREEMENT

(Version from 12/11/2014)

1. Important notice

Certain financial instruments referred to in this document may not be eligible for marketing, sale or promotion in the United States of America and some other jurisdictions (the "Restricted Jurisdictions") and therefore this document shall not be forwarded or distributed to or accessed by any person resident in any Restricted Jurisdiction.

The services envisaged in this document cannot be rendered to the residents of certain jurisdictions where provision of such services requires a license which the service provider may not have ("Non-Eligible Jurisdictions").

Consequently, should you be a resident of any Restricted or Non-Eligible Jurisdiction you are prohibited to access this document and to apply to the Company Material Limited for an account.

You are strongly encouraged to obtain a professional legal advice to determine whether your jurisdiction can be considered as the Restricted or Non-Eligible Jurisdiction.

Nothing in this document should be interpreted to constitute another, invitation or solicitation to buy or sell any financial instruments. This document may not be reproduced or disclosed (in whole or in part) in any jurisdiction where such reproduction or disclosure would be unlawful.

2. Introduction

2.1. The company Material Limited (Hereinafter – the "Company") with the registered office at The Old Timber Yard, London Rd, Sevenoaks, Kent, England, TN14 7DZ, registration number 08429692, subject to the terms and conditions of public offer makes an offer to enter into this Client agreement (hereinafter – the "Agreement") to any individual or legal entity (hereinafter – the "Client") which satisfies the conditions of this Agreement.

2.2. The following documents are an inalienable part of this Agreement, published on the Company's Website. The list of the Regulatory documents is as follows:

- ☐ 2.2.1. Risk disclosure;
- ☐ 2.2.2. Terms of business;
- ☐ 2.2.3. Regulations of non-trading operations.
- ☐ 2.2.4. Anti-money laundering and counter-terrorism financing policy;
- ☐ 2.2.5. Know your customer policy;
- ☐ 2.2.6. Privacy policy;
- ☐ 2.2.7. Refund policy;
- ☐ 2.2.8. Tariffs for deposit, withdrawal and refund;
- ☐ 2.2.9. Terms of promotions;
- ☐ 2.2.10. Terms of transfer orders.

2.3. This Agreement and the Regulatory documents should be carefully read by the client, as they govern all the conditions of the Client's trading and non - trading operations. By accepting the terms of this Agreement, the Client also accepts the terms of all the Regulations listed above.

2.4. This Agreement should be read by any potential Client attentively. If it does not have a special knowledge in the respective area, it is suggested that it uses a consultant's services for clarification of provisions hereof.

3. Subject of the Agreement

3.1. Subject of the present Contract is provision of services comprising processing of the Client's orders to conduct trading operations (hereinafter – the "Transaction") with financial instruments on international financial markets.

3.2. By accepting the Agreement, the Client acknowledges that he has read, understood and accepted the Agreement and Regulatory documents and thereby enters into a binding legal agreement with the Company.

3.3. For the purposes of accounting of all trading operations with financial instruments made by the Client under this Agreement, funds deposited by the Client, accrued/written-off results, amounts of unrealized profits/losses, and for other purposes related to the subject of this Agreement the Company shall open an account (hereinafter – the "Trading account") for the Client.

3.4. For the purposes of the Client identification and accounting of orders given by the Client, the Company shall provide the Client with an opportunity to register in the Client Cabinet (hereinafter referred to as the "Client Cabinet"). The personal cabinet allows the Client to open and administer its Trading Accounts, submit inquiries, receive information, communicate with the Company as well as perform a variety of other non-trading operations.

3.5. The terms of the Agreement shall be deemed unconditionally accepted by the Client upon the Client effecting the following actions:

- complete and successful registration at the Company's Client Cabinet, and
- transfer of funds to any of the Company's accounts for the purpose of deposit the Client's Trading Account in accordance with this Agreement.

3.6. By accepting the Agreement, the Client also accepted to the terms of all Regulatory documents.

3.7. The Client fills out an electronic version of the Application Form and uploads the electronic copies of the documents required for identification when registering in the Client Cabinet. The Company reserves its right to request the Client a scanned copy or the original of the duly filled in and signed Application Form, and the Client undertakes to provide the document at the request of the Company.

4. Services

4.1. Subject to the Client fulfilling the obligations under this Agreement, the Company shall provide the Client with the ability to make operations allowed by the Agreement.

4.2. The Client agrees that its funds transferred to the Company under this Agreement shall be accounted on the Trading account and used by the Company to perform the Client's obligations under this Agreement. The Client further agrees that its funds, if any, reflected by the Company on its Trading shall be also used by the Company to perform the Client's obligations under this Agreement. The Client hereby entitles the Company to debit the Client's funds held on the Trading account to discharge Client's obligations under this Agreement without any additional authorization from the Client.

4.3. The Company shall carry out all transactions with the Client on an execution-only basis, neither managing the account nor advising the Client. The Company is under no obligation, unless otherwise agreed in this Agreement and the Regulatory documents, to monitor or advise the Client on the status of any transaction or to close out any of the Client's open positions. Unless otherwise specifically agreed, the Company is not obligated to make an attempt to execute the Client's order using quotes more favorable than those offered through the trading platform.

4.4. The Client shall not be entitled to ask the Company to provide investment or trading advice or any information intended to encourage the Client to make any particular transaction.

4.5. Any information materials, which contains information including but not limited to the conditions of the financial market, posted through its website and otherwise made available to the Client from time to time should be considered to be marketing communication only and does not contain, and should not be construed as containing, investment advice or an investment recommendation or, an offer of or solicitation for any transactions in financial instruments. The Company makes no representation and assumes no liability as to the accuracy or completeness of the information provided, nor any loss arising from any investment based on a statement, forecast or other such information.

4.6. The Company, at its own discretion, may provide the Client with trading recommendations or other information, but bears no responsibility over the impact and profit that these references and advice may cause.

4.7. Each of the Client and the Company shall act as principal in respect of any Transaction or any other action hereunder. Unless it is otherwise agreed between the Parties, the Client shall be fully responsible for all actions made in accordance with this Agreement.

4.8. Each financial instrument, used by the Client to perform trading operations is recognized as a settlement instrument. The Client is aware that electronic purchase or sale via the Trading platform provided by the Company does not imply physical delivery of currency or asset mentioned in the financial instrument (contract).

4.9. The Company processes and executes Client requests and instructions in accordance with the Regulatory documents.

4.10. The Company is entitled to decline a Client's request or instruction if any of the conditions set out in the Regulatory documents have not been satisfied before the request or instruction is processed by the Company. However, the Company may, at its sole discretion, accept and execute the Client request or instruction, notwithstanding that the lack of compliance with the Regulatory documents.

4.11. If the Company executes the Client request or instruction and subsequently becomes aware of a breach of the conditions of the Regulatory documents, the Company may act in accordance with the Regulatory documents.

4.12. It is acknowledged by the Client that the Company will neither act as his/her fiscal agent nor provide any tax advice or recommendations. The Client shall be solely responsible for due and timely payment of all applicable taxes, duties and levies imposed by the laws of any competent jurisdiction.

5. Payment procedures

5.1. Fund deposit and withdrawal to/from the Client account shall be governed by the Regulations on nontrading operations.

5.2. The Client undertakes to pay any amounts due to the Company in accordance with terms and conditions of this Agreement.

5.3. All amounts payable under this Agreement shall be automatically converted by the Company into the currency of the Trading Account at the Current Market Rate.

5.4. Should the accrued amount owed by the Client to the Company under this Agreement be equal to the accrued amount owed by the Company to the Client under same, the obligations to pay any amount will be automatically satisfied and discharged.

5.5. Should the accrued amount owed under this Agreement by one Party be in excess of the accrued amount owed by the other Party under same, then the Party owing the larger accrued amount shall pay the excess to the other Party and all obligations to pay will be automatically satisfied and discharged.

5.6. The Client may not transfer rights, vest responsibilities, or otherwise transfer or purport to assign rights or obligations under the Regulatory documents without the Company's prior written consent. Any purported assignment or transfer in violation of this condition shall be considered void.

5.7. The Client shall hold full responsibility for the accuracy of payments executed. If the Company bank details change, the Client shall hold full responsibility for any payments carried out in accordance with the obsolete details from the moment the new details are published in Personal cabinet.

5.8. The Client acknowledges and agrees that the Company will not pay interest to the Client on funds located on Client accounts. The Company reserves the right to establish when and how much interest it will pay on Client funds.

6. Representations and warranties of the Client

6.1. As of the date of this Agreement the Client represents and warrants that:

6.2. If the Client is an individual:

- the Client at the age of majority, not is disabled and able of having legal responsibility to the full extent;
- performance of this Agreement shall by no means result in breach of legal requirements applicable to the Client, and of any other current obligations of the Client to any third parties;
- performance of this Agreement shall by no means result in breach of orders of any decision of the competent court or administrative authority which is binding and valid in relation to the Client;
- the Client is not a citizen, resident or tax resident of the United States of America and does not live in the United States of America.
- Client is the beneficial owner of all the income received in accordance with this Agreement;
- any income received by the Client in accordance with this Agreement are not effectively connected with the conduct of a trade or business in the United States.

6.3. If the Client is a corporate entity (legal entity):

- the Client is properly incorporated and legally exists under the laws of its registration country;
- the Client is not registered in the territory of the United States of America, not recognized as a corporate entity (legal entity) falling within the jurisdiction of the United States of America;
- performance of this Agreement shall by no means result in breach of legal requirements applicable to the Client, and of any other current obligations of the Client to any third parties;
- in performing this Agreement any party committing any other acts related to performance of this Agreement on behalf of the Client is duly authorized by the latter to commit such acts and has no implied (implicit) limitations.

6.4. General warranties applied to all Clients:

- the Client has read, understood and fully accepted the terms of this Agreement, and the terms of all applicable Regulatory documents of the Company;
- any and all information presented by the Client to the Company, in particular, in the course of registration on the Company's Website is true, accurate and complete. In case false, inaccurate or incomplete information is presented the Client warrants that all risks including but not limited to this, financial, related to this, shall be borne exclusively by the Client in full and without any waivers or disclaimers;
- the Client did not obtain any warranties concerning success of Transactions with any Financial Instruments from the Company or any of the Company's employees, both formally and informally, and did not enter into this Agreement in view of or confidence in prospective obtaining similar warranties in the future.
- The Client acknowledges and accepts that margin trading is highly speculative as specified in the Risk Disclosure. The Client acknowledges and accepts that margin trading transactions are suitable only for individuals who have the financial comfort to suffer substantial losses without an impact on their living standard.

6.5. Any of the above-mentioned warranties should be valid as of the date of this Agreement and within the term of this Agreement. In case any of these warranties becomes invalid from time to time, then the Company shall reserve the right to terminate this Agreement unilaterally at its own discretion.

6.6. The Company shall reserve the right at its own discretion and at any time to send the Client a demand for proving the validity of any of these warranties. In case of the Client's disclaimer of obligation stipulated in this paragraph the Company shall reserve the right to terminate this Agreement unilaterally at own discretion.

7. Liability

7.1. All information presented on the Company's Website is intended for illustrated purposes only. The Company holds no responsibility for the Client's activity or inactivity caused by this information.

7.2. The Client does not have right to give third parties access passwords to the trading platform or Client Cabinet and agrees to keep them secure and confidential. All actions related to the fulfillment of the Regulations and/or the usage of logins and passwords are considered executed by the Client. The Company does not bear responsibility for the unauthorized use of registration data by third parties.

7.3. The Company holds no responsibility for unauthorized use of the passwords for getting access to the Company's services. The Company may rely on any notice or any other communication which is received by it from the Client. Any notice or any other communication received by the Company under or using the Client's individual password shall be deemed to be sent by the Client.

7.4. The terms of service imply that the Client can establish a connection to the Company's servers from any IP addresses, using any computer equipment, operating systems and third-party software that allow to establish such a connection. The Company undertakes no obligation to monitor such client IP addresses, computer equipment, operating systems, third-party software used by the Client, and their registration in the Company's server logs. The company considers as the Client any person who contacts

the Company's servers with any IP address, if this person has successfully passed the authentication procedure on the Company's server using the Client's login and password, and the Client accepts the means of authentication and information protection used by the Company sufficient to protect against unauthorized access to Client's accounts and to certainly identify the Client on the Company's servers. All successful authentication events, as well as Client's actions, which are possible only after successful authorization, are taken into account in the server logs, as well as evidence that they were performed by the Client, no matter what IP address, computer equipment, operating system or third-party software was used by the Client to connect to the Company's server.

7.5. If any registration information of the Client (Surname/given name/ patronymic, Address, Phone number) has been changed after account opening, the Client is obliged to inform the Company with request to change the information.

7.6. The Client holds responsibility to avoid using any strategies for profit making, which are based on hardware vulnerability factors.

7.7. The Company shall not bear any responsibility for any Client's actions or omissions when making transactions or other actions.

8. Notices

8.1. Unless specifically instructed otherwise any notice, instruction, request or other communication shall be given by the Client to the Company in writing and shall be sent to the Company's registered address set out in clause 2.1 of this Agreement or to the Company's e-mail that is published at the Company's Website or via the Client Cabinet.

8.2. Unless specifically set out to the contrary Company shall be entitled to contact of file any notice to the Client – at its sole discretion – via mailing or registered address, email, Client Cabinet, trading platform or Company's Web-site in the latter case by publishing notices for the attention of all its clients.

8.3. Any notice, instruction, request or other communication sent to Company shall be effective when acknowledged by the Company has received.

8.4. Any electronic communication addressed to the Client shall be effective when it is sent through a communication channel that the Company reasonably deems as functioning. Any other communication addressed to the Client shall be effective when it is received.

8.5. The Client acknowledges that the Company's official language for all communications is the English language. The Company is entitled at its discretion to disregard any communications in any other language.

9. Circumstances of insuperable force (Force Majeure)

9.1. The Parties shall be released from liability for nonperformance or improper performance of their obligations under this Agreement if this nonperformance or improper performance is due to the occurrence and/or effect of a circumstance of insuperable force.

9.2. Having reasonable grounds, the Company may determine the limits of the occurrence of circumstances of insuperable force. The Company shall properly take reasonable steps to inform the Client of the occurrence and/or effect of force majeure circumstances. Force majeure circumstances shall include (not limited to)

- any action, event or phenomenon (including but not limited to any strike, riots or civil commotions, terrorist acts, wars, natural disasters, accidents, fires, floods, storms, failures of power supply, communications, software or electronic equipment, civil disorders) which in the reasonable opinion of the Company resulted in disruption of the market or markets of one or several Financial Instruments;

- suspension of work, liquidation or closing of any market or absence of any event on which the Company establishes quotations, or introduction of restrictions or special, or nonstandard conditions of trade in any market, or in relation to any such event;

- enactment of restriction or prohibition acts of the authorized national authorities, organizations or institutions and polities which may anyhow prevent the proper performance of obligations under this Agreement.

9.3. In case of the occurrence of circumstances specified in paragraph 9.2. of the Agreement the Company shall reserve the right at own discretion without prior written notice at any time (without prejudice to any other rights of the Company) to take any of the following measures:

- close any or all opened Transactions of the Client at such a price which is reasonably considered fair by the Company;

- suspend or change the application of one or all provisions of this Agreement as long as the existence of force majeure circumstance makes it impossible for the Company to comply with these provisions;

- perform or refrain from performing any act in relation to the Company or the Client if on the reasonable grounds the Company considers it expedient under these circumstances.

10. Amendments and termination of the agreement

10.1. The Company reserves the right to amend and supplement the Agreement, Regulatory documents as well as the information posted on the Company's Website from time to time.

10.2. New versions of the Agreement will be placed at the Company's Web-site and the Company shall be under no obligation to make a personal notice of these changes to the Client. The Client undertakes to visit the Web-site of the Company on a regular basis in order to be aware of the changes introduced by the Company to the legal documentation and other relevant information.

10.3. Client's consent is not required for any amendment to be effective immediately. Even if the Company amends any part of the Agreement the Client continues to be bound by the terms of the respective documents including but not limited to any amendments that have been implemented.

10.4. The Client acknowledges that the Company may introduce new products and services without prior notification.

10.5. The Client may suspend or terminate this Agreement by giving the Company written notification.

10.6. The Company may suspend or terminate this Agreement immediately by giving the Client notification.

10.7. Termination of this Agreement will not abrogate any obligations held by either the Client or the Company regarding any outstanding transaction or any legal rights or obligations which may already have arisen under the Regulatory documents, particularly relating to any open positions and deposit/withdrawal operations made on the Client's account.

11. Legislation in force

11.1. The client agreement provisions are regulated by the law of United Kingdom.

11.2. Exclusive jurisdiction belongs to law-courts of United Kingdom.

11.3. In regards to the client agreement provisions the Client agrees with United Kingdom 'law-courts' jurisdiction.

11.4. In the case of a dispute under the law of the United Kingdom, the language used for adjudication shall be English.

11.5. In case of a disputable situation being considered in accordance to the law of United Kingdom, the Company has the right to use translation service during the law suit.

12. Examination of claims

12.1. Any complaints and claims relating to trading or non-trading operations shall be submitted and processed in accordance with the relevant Regulatory documents.

13. Miscellaneous

13.1. In case of occurrence of events not described in the Terms or corresponding Regulatory documents, the Company shall act in good faith according to the commonly accepted market practice.

13.2. The Company may assign in full or in part its rights and duties hereunder or under any Regulatory document to a third party provided that such third party agrees with conditions hereof or of the corresponding Regulatory document accordingly. Such transfer of the rights and duties comes into effect ten (10) business days after the date when the Client is deemed to receive such notice according to the provisions hereof or of the corresponding Regulatory document.

13.3. The Client shall not transfer its rights, assign duties or execute any other assignment deed of the rights or duties hereunder or under the Regulatory documents without prior written consent of the Company. In case of infringement of this condition, any such transfer of rights, assignation or assignation is void.

14. Terms and Interpretation

14.1. In this Agreement the following terms shall have the following meaning:

- **"Abnormal Market Conditions"** shall mean a "Thin" or "Fast" market.
- **"Ask"** shall mean the higher price in a Quote, the price at which the Client may buy.
- **"Application Form"** shall mean the application form the Client provided to the Company when accepting the Agreement, which shall be made in electronic form in the Client Cabinet or on paper with the signature of the Client.
- **"Balance"** shall mean the total financial result of all Closed positions and non-trading (deposit/withdrawal) operations of the Trading Account.
- **"Base currency"** shall mean the first currency in a currency pair which the Client may buy or sell for the Quote Currency.
- **"Bid"** shall mean the lower price in the Quote the price at which the Client may sell.
- **"Business Day"** shall mean a working day from Monday till Friday.

- **“CFD”** (Contract for Difference) shall mean an object of a trading operation, the value of which is based on changes in the value of an underlying asset (the base asset of the CFD), which can be a stock, future, commodity, precious metal, index fund etc.

- **“Client”** shall mean any eligible person who has accepted terms and conditions of this Agreement in accordance with the terms and conditions hereof.

- **“Client Cabinet”** (“Control Panel”) shall mean the Client's personal page on the Company's website, designed for the Client's identification, records of operations, and support.

- **“Closed position”** (“Closed order”) shall mean the combination of at least two trading operations as a result of which the sum of bought (or sold) amount of Trading instrument is fully covered by the opposite sale (or purchase) of the same Trading instrument.

- **“Counter asset”** shall mean the asset traded against an Underlying Asset and in which the outcome of the trading operation with financial instrument is expressed.

- **“Currency pair”** shall mean an object of a trading operation, the value of which is based on changes in the relative value of one currency unit against the unit of another currency.

- **“Current market rate”** shall mean at any time the current rate for entering into transactions with the Trading Instrument on financial market.

- **“Equity”** shall mean the current balance of Trading account that is calculated as follows:
Balance + credit + Floating profit - Floating loss.

- **“Expert Adviser”** shall mean an algorithm in the form of a program based on WebTrader Language 4 used to manage a Trading Account and give instructions and requests to the server via the Client Terminal.

- **“Fast Market”** shall mean a market characterized by rapid price fluctuations over a short period of time often causing Price Gaps. A Fast Market may occur immediately before or after important events such as:

- ☐ release of influential macroeconomic indicators for the global economy;
- ☐ decisions by central banks on interest rates;
- ☐ press conferences and statements by central banks officials, heads of state, financial ministers or other significant announcements;
- ☐ government intervention in the currency market;
- ☐ terrorist attacks of great impact;
- ☐ natural disasters leading to the declaration of a state of emergency (or comparable measures) in the affected regions;
- ☐ war or other significant military actions;
- ☐ political force majeure: dismissal or appointment (including election results) of top government officials;
- ☐ other events which cause significant price movements.

- **“Financial instrument”** (or “Trading instrument”) shall mean currency pair or CFD.

- **“Floating profit/loss”** shall mean unrecorded profit/loss on Open Positions based on current prices.

- **“Free margin”** shall mean the available funds on the Trading Account which may be used to open a position that is calculated as follows: Equity - Necessary Margin.

- **“Initial margin”** shall mean the collateral required by the Company from the Client to open position for each Financial instrument specified in the contract specification at the Company’s Website.
- **“Leverage”** shall mean the ratio of the Margin and value of a position: 1:10, the ratio 1:100 means that the required collateral is a hundred times less than the value of the position.
- **“Margin Level”** shall mean the ratio of the Equity and Necessary Margin valued in percentage that calculated as follows: $(\text{Equity} / \text{Necessary Margin}) * 100\%$.
- **“Necessary margin”** (“Margin”) shall mean the collateral required by the Company from the Client to maintain open positions for each Financial instrument specified in the contract specification at the Company’s Web-site.
- **“Non-Trading Operations”** shall mean the deposits or withdrawals to or from the Trading Account, loans or loan repayments.
- **“Normal Market Conditions”** shall mean:
 - ☐ no considerable breaks in the streaming quotes;
 - ☐ low volatility;
 - ☐ no large price gaps.
- **“Open position”** (“Open trade position”) shall mean the amount of a Trading Instrument purchased (or sold) and which is not covered by an opposite sale (or purchase) of the same Trading instrument.
- **“Quote”** shall mean the price of one currency quoted in terms of another. (Bid/Ask).
- **“Quote currency”** shall mean the second currency in a currency pair which can be bought or sold for the Base currency.
- **“Quoting”** shall mean the process of providing the Client with Quotes.
- **“Order”** (or “Trading order”) shall mean a Client instruction to the Company to open or close a position when the price reaches the level of the Order.
- **“Payment Agent”** shall mean an entity rendering payment services and being a partner of the Company, through which the Clients may credit and debit their Trading accounts by way of electronic money transfers.
- **“Specification of Contracts”** shall mean trading terms (spread, lot amount, minimum deposit for transactions (Minimum Margin for Transactions), etc.) for Trading Instruments. The Specification of Contracts is placed at the Company’s Website in the section «Trading Conditions». Company may unilaterally at its sole and absolute discretion amend from time to time the Specification of Contracts. Such amendments will be published at the Company’s Website.
- **“Spread”** shall mean the difference between Ask and Bid prices.
- **“Stop-out”** shall mean the instruction to close one or more Open positions without the consent of the Client or any prior notice due to insufficient funds required for maintaining Open positions
- **“Swap”** shall mean the fee for the transfer of an Open position through the night, is both positive and negative, depending on market conditions, Financial instruments, the direction and volume of the Open position, the value of a swap for each Financial instrument is published at the Company’s Website.

- **“Thin market”** shall mean a market with fewer Transactions and consequently fewer Quotes than during Normal Market Conditions. Such conditions occur most often during the Christmas holidays and other major national holidays of G7 countries, and from 20:00 to 00:00 GMT etc.
- **“Transaction Day”** shall mean a working day from Monday to Friday from 09:00 till 18:00 (GMT).
- **“Trading account”** shall mean a special account used for the purposes of accounting of all trading operations with financial instruments made by the Client under this Agreement, funds deposited by the Client, accrued/written-off financial results, amounts of unrealized profits/losses, and for other purposes related to the subject of this Agreement. The funds transferred by the Client shall be reflected on the Trading account and used by the Company for the purpose of performance of the Client’s obligations under this Agreement and trading operations with the financial instruments.
- **“Trading operation”** (or “Transaction”) shall mean the opening and closing of a position, the purchase or sale of any Financial instrument by the Client.
- **“Trading platform”** shall mean any of the possible IT programs for making Transactions, which are published at the Company’s Website in section «Trading Platforms». The Company may unilaterally at its sole and absolute discretion amend from time to time the list of Trading Platforms. Such amendments will be published at the Company’s Website.
- **“Underlying Asset”** shall mean the asset which is traded against a Counter Asset and which is a basis of a trading operation with financial instrument.