

FX Trader Terms

City Index Asia - Effective from: 16th June 2008 v.1.0

In consideration of City Index Asia Pte Ltd (company registration number: 200400922K) ("CIA") agreeing to carry one or more accounts for you (hereinafter referred to as the "Client") and to provide services to Client in connection with the purchase and sale of currencies of every nature and kind (including options thereon), foreign exchange contracts and any similar instruments (collectively referred to as "FX Contracts"), which may be purchased or sold by or through CIA for Client's account(s), Client agrees as follows:

1. FX Contracts

CIA may from time to time at Client's verbal, written or electronic request and at CIA's absolute discretion enter into FX Contracts with Client. All dealings will be on an execution only basis and CIA shall not provide Client with any advice or recommendation in respect of any FX Contract. CIA acts as principal. In order to provide these services, CIA holds a capital markets services license issued by the Monetary Authority of Singapore.

2. Governmental, counter party institution and inter-bank system rules

This Agreement governs all transactions entered into between CIA and the Client in relation to transactions undertaken in FX Contracts. Client should read this Agreement carefully, including the Market Information Sheet, Risk Disclosure Statement and any other documents that CIA may have supplied or in the future will supply. If any statute shall hereafter be enacted or any rule or regulation shall hereafter be adopted by any governmental authority, the Monetary Authority of Singapore, or any other regulatory body that may from time to time be incorporated or constituted which shall be binding upon CIA, this Agreement shall be deemed modified or superseded, as the case may be, by the applicable provisions of such statute, rule or regulation, and all other provisions of this Agreement and provisions so modified shall in all respects continue in full force and effect. Client acknowledges that all transactions under this Agreement are subject to the aforementioned regulatory requirements, and Client shall not thereby be given any independent legal or contractual rights with respect to such requirements.

3. Margin and deposit requirements

Client shall deposit with CIA collateral or margin in such amounts that CIA, in its sole discretion, may require. CIA may change margin requirements at any time. Client agrees to deposit by immediate wire transfer, cheque deposit or any other means that may from time to time be advised by CIA such additional margin when and as required by CIA and will promptly meet all margin calls by such methods as CIA in its sole discretion designates. CIA may at any time proceed to liquidate Client's account in accordance with paragraph 7 below, and any failure by CIA to enforce its rights hereunder shall not be deemed a waiver by CIA to enforce its rights thereafter. No previous collateral or margin requirement by CIA shall preclude CIA from increasing that requirement without prior notice. Margin calls are conclusive and binding

unless objected to immediately in writing. If sufficient margin is not maintained, CIA reserves the right to close out all open positions on the Client's account.

4. Position limitation and extraordinary events

CIA retains the right to limit the amount and/or total number of open positions that Client may acquire or maintain at CIA. CIA reserves the right to refuse to accept any order, with or without notice. CIA shall not be responsible for any loss or damage caused, directly or indirectly, by any events, actions or omissions beyond the control of CIA including, without limitation, loss or damage resulting, directly or indirectly, from government restrictions, war, strikes, labour disruptions and terrorist acts (otherwise referred to as a "Force Majeure Event"). If CIA have determined that a Force Majeure Event exists then we may cease or suspend all trading; vary margin requirements; immediately require additional margin and/or payment of other amounts due to CIA; and/or take or omit to take any actions as CIA deems appropriate to protect CIA and Client. CIA shall not be liable for damages caused by delays or inaccuracies in the transmission of orders or information due to a breakdown in or failure of any transmission or communication facilities, unauthorised access, theft or systems failures.

5. Settlement date and rollovers

In the absence of contrary instructions from Client, CIA is authorised, in its absolute discretion, to rollover or offset all or any portion of the positions in Client's Account(s) at Client's risk in advance of settlement dates. A position carried forward may be credited or debited interest charges until the position is closed.

6. Collateral and lending agreement

All funds, securities, currencies, and other property of Client that CIA or its affiliates may at any time be carrying for Client (either individually, jointly with others or as a guarantor of the account of any other person) or which may at any time be in its possession or control or carried on the books of CIA for any purpose, including safekeeping, are to be held by CIA as security and subject to a general lien and right of set-off for all obligations and liabilities of Client to CIA whether or not CIA has made advances in connection with such securities, currencies or other property, and irrespective of the number of accounts Client may have with CIA. All money received from Client will be held by CIA in a segregated client money account, as determined by the regulations issued by the Monetary Authority of Singapore. Client agrees that any such money (other than Singapore dollars) may be held in an account maintained by CIA with a bank or other financial institution outside Singapore. It is not CIA's policy to pay Client interest on monies so held. Should Client take delivery of currencies through settlement of trades, CIA is obliged to make full payment for the delivery on 24 hours notice. If the balance in the Client's account is not adequate to pay for the delivery, the depository receipts held in the name of Client or CIA, as Client's agent or nominee, become property carried on margin in the

Client's account, since they are not fully paid for by Client. This authorisation shall apply to all accounts carried by CIA for Client and shall remain in full force until all accounts are fully paid for by Client or notice of revocation is sent by CIA.

7. Liquidation of accounts and payment of deficit balances

In the event of: (a) the death or judicial declaration of incompetence of Client, (b) the filing of a petition in bankruptcy, or a petition for the appointment of a receiver, or the institution of any insolvency or similar proceeding by or against Client, (c) the filing of an attachment against any of Client's accounts carried by CIA, (d) insufficient margin, or CIA's determination that any collateral deposited to protect one or more accounts of Client is inadequate, regardless of current market quotations, to secure the account, (e) Client's failure to provide CIA any information requested pursuant to this Agreement, or (f) any other circumstances or developments that CIA deems appropriate for its protection, then, in CIA's sole discretion, it may take one or more, or any portion of, the following actions: (i) satisfy any obligation Client may have to CIA, either directly or by way of guaranty of surety, out of any of Client's funds or property in its custody or control, (ii) sell or purchase any or all FX Contracts, securities or property held or carried for Client, and (iii) cancel any or all outstanding orders or contracts, or any other commitments made on behalf of Client. Any of the above actions may be taken without demand for margin or additional margin, without prior notice of sale or purchase or other notice to Client, Client's personal representatives, heirs, executors, administrators, trustees, legatees or assigns and regardless of whether the ownership interest shall be solely Client's or held jointly with others. In liquidation of Client's long or short positions, CIA may, in its sole discretion, offset in the same settlement or it may initiate new long or short positions in order to establish a spread or straddle which in the sole discretion of CIA may be advisable to protect or reduce existing positions in a Client's account. Any sales or purchases hereunder may be made at CIA's discretion with any inter-bank or other market where such business is then usually transacted or at a public auction or private sale, and CIA may purchase the whole or any part thereof free from any right of redemption. Client shall at all times be liable for the payment of any deficit balance in Client's account(s) upon demand by CIA and in all cases, Client shall be liable for any deficiency remaining in Client's account(s) in the event of the liquidation thereof in whole or in part by CIA or by Client. In the event the proceeds realized pursuant to this authorization are insufficient for the payment of all obligations and liabilities of Client owed to CIA, Client shall promptly pay upon demand, the deficit together with interest thereon at a rate equal to three points above the then prevailing prime rate at CIA's principal bank or the maximum interest rate allowed by law, whichever is lower. Client agrees to pay and shall be liable for all reasonable costs and expenses of collection, including but not limited to, attorney's fees, witness fees and travel expenses. In the event CIA incurs expenses other than for the collection of deficits, with respect to any of Client's account(s), Client agrees to pay such expenses.

8. Settlement date - offset instructions

Offset instructions on FX positions must be given to CIA at least one (1) business day prior to the settlement or value day. Alternatively, sufficient funds to take delivery or the necessary delivery documents must be in the possession of CIA within at least one (1) business day prior to the settlement. If the settlement instructions, funds or settlement documents are not received, CIA may without notice, either offset Client's position or roll Client's position into the next settlement time period or make or receive delivery on behalf of Client upon such terms and by such methods deemed reasonable by CIA in its sole discretion.

9. Statements and confirmations

Transaction confirmations of orders and individual customer statements of account for Client shall be deemed correct and shall be conclusive and binding upon Client if not objected to immediately upon receipt and confirmed in writing within (1) business day after transmittal to Client by e-mail, internet access or otherwise. Written objections on Client's part must be directed to City Index Asia Pte Ltd, 6 Battery Road, #40-06, Singapore 049909, and shall be deemed received only if sent by e-mail to fxenquiries@cityindexasia.com.sg or actually delivered or mailed to CIA by registered mail, return receipt requested. Failure to object shall be deemed acceptance and ratification of all actions taken by CIA or CIA's agents prior to Client's receipt of said reports. Client's failure to receive a transaction confirmation shall not relieve Client of the duty to inquire of CIA and to object as set out herein.

10. Commissions and fees

Client agrees to pay all charges relating to the FX Contracts entered into with CIA, including without limitation commissions, markups, markdowns, transfer and cancellation charges, and inactive account fees. CIA may adjust its charges without notice. All such charges shall be paid by Client as incurred and deducted from Client's account. CIA may share such commissions or markups and markdowns with an introducing broker or person who refers Client's account to CIA.

11. Communications

Client hereby authorizes CIA to transmit to Client all transaction confirmations and statements of account activity, funds and positions by facsimile transmission, e-mail, internet access or otherwise to such e-mail address as Client designates on the client application, or as Client designates from time to time in writing addressed to CIA. This authorisation shall be perpetual, unless changed or revoked in writing by Client and addressed to CIA.

12. CIA responsibilities

CIA will not be responsible for delays in the transmission of orders due to a breakdown or failure of transmission or communication facilities, electrical power outage or for any

other cause beyond CIA's control or anticipation. CIA shall only be liable for its actions directly attributable to gross negligence, willful default or fraud on the part of CIA. CIA shall not be liable for losses arising from the default of any agent or any other party used by CIA under this Agreement. Since over-the-counter FX Contracts are not traded on an exchange, the prices at which CIA is willing to deal or the quotes published by CIA may differ from prices confirmed or quoted by other FX market makers or dealers.

13. Currency fluctuation risk

If Client directs CIA to enter into any FX Contract: (a) any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be entirely for the risk and account of Client; (b) all deposits for margin purposes if made in currency other than U.S. Dollars may be converted to U.S. Dollars, in such amounts as CIA may in its sole discretion require; and (c) CIA is authorised to convert funds in Client's account for margin into and from such foreign currency at a rate of exchange determined by CIA in its sole discretion on the basis of the then prevailing money market rates.

14. Manifest error

CIA reserves the right to void from the onset any trade involving or deriving from a Manifest Error or to amend the details of such a trade to reflect that which City Index Asia considers in its sole discretion acting in good faith to be the correct or fair details of such a trade absent such Manifest Error. Clients shall not be entitled to gain an unfair advantage by Manifest Error. For this purpose, "Manifest Error" means any error, omission or misquote (whether an error of CIA or any third party) which is manifest or palpable including a misquote by the CIA dealer taking into account the current market and currently advertised quotes, for example wrong price or market, or any error or lack of clarity of any information, source, commentator, official, official result or pronunciation. The fact that Client may have entered into, or refrained from entering into, a corresponding financial commitment, contract or trade in reliance on a trade placed with CIA (or that the Client has suffered or may suffer any loss whether direct, indirect consequential or otherwise) is deemed irrelevant as a factor and shall not be taken into account in determining whether a situation amounts to a Manifest Error.

15. Risk acknowledgment

Client acknowledges that investments in leveraged and non-leveraged transactions are speculative, involve a high degree of risk, and are appropriate only for persons who can assume risk of loss in excess of their margin deposit to carry FX positions and may result in significant losses that substantially exceed Client's investment and margin deposit. Client represents and warrants to CIA that Client is willing and able, financially and otherwise, to assume the risk of trading in FX Contracts, and in consideration of CIA's carrying his/her account(s), Client agrees not to hold CIA responsible for losses incurred through trading. Client recognises that guarantees of profit or freedom from loss are impossible in trading FX Contracts. Client acknowledges

that Client has received no such guarantees from CIA or from any of its introducing or referring agents or other entities with whom Client is conducting his/her CIA account and has not entered into this Agreement in consideration of or in reliance upon any such guarantees or similar representations. If Client has received any such guarantees or inducements, Client is advised to report such activity to CIA as promptly as possible. In addition, Client will not be entitled to ask CIA to provide any form of investment advice. However, CIA is entitled to provide to Client, at its discretion, publicly available market commentary, market news and/or market information which Client agrees does not constitute investment advice.

16. Client representations and warranties

Client represents and warrants to CIA that: (a) Client is of sound mind, legal age and legal competence, (b) no person other than Client has or will have an interest in Client's account(s), (c) regardless of any subsequent determination to the contrary, Client is suitable to trade FX Contracts and understands the risk inherent in such trading, (d) Client is not now an employee or member of or associated with any exchange, any corporation in which any exchange owns a majority of the capital stock or any bank, trust, or insurance company, and in the event that Client becomes so employed, Client will promptly notify CIA in writing of such employment, (e) Client confirms that all funds deposited to his/her account are the property of the account owner and of no other person or entity, and (f) all the information provided by Client to CIA in account applications or otherwise is true, correct and complete as of the date hereof, and Client will promptly notify CIA of any changes in such information.

17. Disclosure of financial information

Client represents and warrants to CIA that the financial information disclosed to CIA in this document is an accurate representation of Client's current financial condition and that Client has very carefully considered the portion of the Client's assets which the Client considers to be risk capital available for investment in FX Contracts. Client recognizes that risk capital is the amount of money Client is willing to put at risk and if lost would not, in any way, change Client's lifestyle. Client agrees to inform CIA immediately if Client's financial condition changes in such a way as to reduce Client's net worth, liquid assets and/or risk capital.

18. No guarantees

Client acknowledges that Client has no separate agreement with CIA or any CIA employee or agent regarding the trading in Client's CIA account, including any agreement to guarantee profits or limit losses in Client's account. Client understands that Client must authorize every transaction prior to its execution unless Client has delegated discretion to another party by signing a limited trading authorization, and any disputed transactions must be brought to the attention of CIA pursuant to the notice requirements of this Agreement. Client agrees to indemnify and hold CIA harmless from all damages or liability resulting from the Client's failure to immediately notify CIA of

any of the occurrences referred to herein. All notices required under this section shall be sent to City Index Asia Pte Ltd, 6 Battery Road, #40-06, Singapore 049909, and shall be deemed received only if sent by e-mail to enquiries@cityindexasia.com.sg or actually delivered or mailed to CIA by registered mail, return receipt requested.

19. Joint accounts

If this account is held by more than one person, all of the joint holders are jointly and severally liable to CIA for any and all obligations arising out of FX Contracts in the account and each agree to be bound by all the terms and conditions of this Agreement. In addition, each person named on this account has authority: (a) to trade for the account subject to this Agreement, (b) to receive all correspondence and documents in respect to the account, (c) to receive or withdraw money from the account, (d) to execute agreements relating to the account, and (e) to deal with CIA fully. CIA, nevertheless, has the authority to require joint action by the parties to the account in matters relating to the account. CIA has possession over the collateral in the account, whether owned by the holders individually or jointly. If a death occurs to one or more of the holders, CIA shall be notified in writing and shown proof of a death certificate. All expenses due at the date of notification shall be charged to the account.

20. Waiver or amendment

CIA reserves the right to amend or add to the terms of this Agreement at any time by notice to Client. No waiver or amendment of this Agreement may be implied from any course of dealing between the parties or from any failure by CIA or its agents to assert its rights under this Agreement on any occasion or series of occasions. No oral agreements or instructions to the contrary shall be recognized or enforceable.

21. Governing law and jurisdiction

This Agreement and the rights and obligations of the parties hereto, and any judicial or administrative action or proceeding arising directly or indirectly hereunder, or in connection with the transactions contemplated hereby, whether brought by Client or CIA, shall be governed by, and shall be construed in accordance with, the laws of Singapore and the parties submit to the non-exclusive jurisdiction of the Singapore courts.

22. Jurisdiction, venue, waiver of jury trial and contraction of limitations period

Client agrees that any civil action, arbitration or other proceeding between CIA and its employees or agents and Client arising out of or relating to this Agreement shall be commenced, heard and resolved only by a tribunal located in Singapore. Client hereby waives trial by jury in any such action or proceeding and the right to have such proceeding transferred to another jurisdiction. Accordingly, Client hereby submits and consents to personal jurisdiction in Singapore and appoints CIA (or any other party CIA may designate) as Client's true and lawful attorney-in-fact and duly authorised agent for

service of legal process; provided that CIA or such other party shall within five days after receipt of such process, forward the same by air carrier or by certified or registered mail, together with all papers affixed thereto, to Client at his/her last known address. If Client signs an Arbitration Agreement (available on CIA's website), the terms of that agreement and the rules of the arbitration forum shall govern the arbitration proceeding, except that the provision of this paragraph pertaining to the location of the hearing shall still apply. If any provision (or part of any provision) of this Agreement shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this Agreement (or the remaining part of the affected provision as the case may be) which shall remain in full force and effect. If any provision of this Agreement is so found to be invalid or unenforceable but would be valid and enforceable if some part of the provision were deleted, the provision shall apply with such deletions as may be necessary to make it valid and enforceable. Each provision and part of a provision in this Agreement is separate and severable and enforceable accordingly.

23. Third party beneficiaries

All rights of CIA under this Agreement shall also be extended to any introducing broker, referring agent, futures commission merchant, broker-dealer or other person who refers or introduces Client to CIA, each of whom is expressly made a third party beneficiary of this Agreement. Among other things, this provision accords to the foregoing persons the rights, obligations and privileges of this Agreement relating to the jurisdiction and venue of legal actions or proceedings, governing law and indemnification. Otherwise, no provision of this Agreement shall be enforceable under the Contracts (Rights of Third Parties) Act Chapter 53B by a person who is not a party and the consent or agreement of such a person shall not be required for any amendment or termination of this Agreement, but this does not affect any right or remedy of a third party which exists or is available apart from under that Act.

24. Binding effect

This Agreement shall be continuous and shall cover, individually and collectively, all accounts of Client at any time opened or reopened with CIA irrespective of any change at any time in the personnel of CIA or its successors, affiliates or assigns. This Agreement including all authorizations, shall inure to the benefit of CIA and its successors and assigns, whether by merger, consolidation or otherwise, and shall be binding upon Client and/or the estate, executor, trustees, administrators, legal representatives, successors and assigns of Client. Client hereby ratifies all transactions with CIA affected prior to the date of this Agreement, and agrees that the rights and obligations of Client in respect thereto shall be governed by the terms of this Agreement.

25. Termination

This Agreement shall continue in effect until termination and

may be terminated by Client at any time when Client has no open FX positions and no obligations held by or owed to CIA, upon the actual receipt by CIA at its office of a written notice of termination, or at any time whatsoever by CIA upon the transmittal of written notice of termination of any obligations set out in this Agreement. Termination by Client shall not relieve Client of the obligation to pay any deficit balance in the account.

as CIA shall deem appropriate. Upon reasonable request made in writing by Client to CIA, Client shall also be allowed, at Client's sole cost and expense, to copy such records.

26. Indemnification

Client agrees to indemnify and hold CIA, its affiliates, employees, agents, successors and assigns harmless from and against any and all liabilities, losses, damages, costs and expenses, including attorney's fees, incurred by CIA arising out of Client's failure to fully and timely perform Client's agreements herein or should any of Client's representations and warranties to CIA fail to be true and correct. Client also agrees to pay promptly to CIA all damages, costs and expenses, including attorney's fees, incurred by CIA in the enforcement of any of the provisions of this Agreement and any other agreements between CIA and Client.

27. Terms and headings

The term "CIA" shall be deemed to include CIA, its divisions, its successors and assigns. The term "Client" shall mean the party (or parties) who execute this Agreement. The term "Agreement" shall include all other agreements and authorizations executed by Client in connection with the opening and maintenance of Client's account with CIA regardless of when executed. The paragraph headings in this Agreement are inserted for convenience and reference only and are not deemed to limit the applicability or affect the meaning of any of its provisions.

28. Recorded conversations

Client agrees and acknowledges that all conversations may be recorded. Conversations relating to the account(s) between Client and CIA personnel may be electronically recorded with or without the use of an automatic tone warning. Client further agrees to the use of such recordings and transcripts thereof as evidence by either party in connection with any dispute or proceeding that may arise involving Client or CIA. Client understands that CIA destroys such recordings at regular intervals in accordance with CIA's established business procedures and hereby consents to such destruction.

29. Credit

Client authorises CIA or its agents acting on behalf of CIA to investigate Client's credit standing and in connection therewith to contact such banks, financial institutions and credit agencies as CIA shall deem appropriate to verify information regarding Client. Client further authorizes CIA to investigate Client's current and past investment activity, and in connection therewith, to contact such futures commission merchants, exchanges, broker-dealers, banks, and compliance data centres