

# Forex Bank LA

## CLIENT AGREEMENT

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**Forex Bank LA** financials assets Broker, managed by **CryptoMargen LLC** registered in Saint Vincent an the Grenadines, Registration Number 315/20, and regulated according to Financial Services Authority (SVGfSA) folio 808/2020 of Saint Vincent and the Grenadines, Kingstown, member of the British Commonwealth of Nations - Address: 305 Griffith Corporate Center, Beachmont, Kingstown, and **Smart Trade Company SA** incorporated in Panama with registration number 2,513 Law 32/1927 and Decree Law 5/1997. Address: Punta Colón 2000 Piso 37, Panama City , operates the brand Forex Bank LA hereinafter referred to as the Company, offers services of conversion arbitrage operations in the international Forex Market and derivatives markets to any uridical entity or individual, hereinafter referred to as the Client in the order and on the terms governed by this Agreement.

This Agreement is a web-based document which does not need to be signed. The Agreement comes into effect at the moment of acceptance by the Client.

This Agreement can be translated into all languages of the Company's website at [www.forexbankla.com](http://www.forexbankla.com). The translation will have an informative character. In case of any discrepancy between the English version of the Agreement and its translation, the English version shall take priority over other language versions. If one or more of the provisions set out in this Agreement should be considered to be invalid or unenforceable, the validity and legality of the remaining provisions contained herein shall not in any way be affected.

The Client accepts this Agreement fully and unconditionally when he/she:

- **fills in Registration Form** to open a trading account with the Company, available on free access terms at the Company's official website.
- **makes a deposit in his/her trading account** in the manner prescribed by the Company.

### Glossary

**Active account** – Client's current account used in the course of the last 90 days.

**Advisor** – Trading account's control algorithm in the form of a program in specialized language "MetaQuotes Language", which sends requests and orders to the server using Client's Terminal.

**Arbitrage transaction** – an operation which consists in buying assets on one market and at

the same time selling its counterpart on another market. It locks the difference in the value of these assets on different markets. It's evident that the portfolio value remains roughly the same regardless of the further market movements, as the counter transactions cover each other. Next, as soon as the change in the price difference turns in Client's favor, the counter arbitrage transaction is conducted in order to fix the profit. A transaction consisting only in buying (selling) financial assets on one market without selling (buying) them on another market can also be regarded as an arbitrage transaction, provided that there is a considerable price gap between the quotes of these interconnected markets at the moment of opening or closing the transaction.

**Ask** – higher price of a quote; price at which the Client buys.

**Assets, total** – Equity in the Main trading account shown in the Client's Profile.

**Available for operations** – Free margin in the Main Trading account.

**Balance** – total result of all completed financial transactions and withdrawal/deposit operations.

**Base currency** – currency of the account, in which all balances, commission fees and charges are denominated for both Client's Terminal and Client's Profile.

**Bid** – lower price of a quote; price at which the Client sells.

**Client** – individual or juridical entity, registered in the Client's Profile, conducting conversion arbitrage operations with the Company at the quotes provided by the Company.

**Client's log file** – a file created in the Client's terminal which instantly records all requests and orders sent by the Client.

**Client's Profile** – secure area at the Company's official site designed to provide access to all main account operations and interaction between the Client and the Company in accordance with inbuilt software algorithm.

**Client's terminal** – software version of MetaTrader x.xxx, with the help of which the Client can obtain online information about financial markets (to the extent determined by the Company), carry out technical analysis of markets, conduct trading operations, place, modify, delete orders and receive messages from the Company.

**Commission** – a profit share expressed in monetary terms and transferred from the Copy Trader's account to the Trader's account once every 24 hours automatically.

**Company** – juridical entity, responsible for providing transactions execution and making payments to the Client in accordance with this Agreement.

**Company's working time** – period of time during the working week, when the Trading Platform provides execution of transactions on standard currency contracts. Exceptions are weekends, holidays, temporary changes within the Company and intervals when service is not available due to technical reasons; in this case the Company shall assume measures to notify the Client of changes in the working hours and enable the Client to eliminate arising risks.

**Contract specifications** – basic trading conditions (spread, lot size, minimum volume of

trading operation, a step change in the volume of trading transactions, initial margin, margin for blocked positions, etc.) for each instrument.

**Copy settings** – parameters of the Copy Trader's account which define the rules of Copy trading.

**Copy Stop Terms** – a parameter of Copy settings which defines the maximum amount of loss or profit in relation to Amount to copy. Once this level achieved, the Trader's trades copied earlier are closed and Copying of new trades is suspended.

**Copy Trader** – Client who copies Traders' trades.

**Copying a fixed size of each trade** – a copy type that implies that the volume of a trade copied onto the Copy Trader's Account is always identical to the volume pre-set in lots in Copy Settings.

**Copying a predefined percent of each trade** – a copy type that implies that the volume of a trade copied onto the Copy Trader's account is identical to a pre-set percentage of the volume of the respective trade on the Trader's account.

**Copying in proportion to Copy Trader's equity** – a copy type that implies that the volume of a trade copied onto the Copy Trader's account is defined by the ratio of the Amount to Copy to the equity in the Trader's account.

**Copying/Copy/Copy trading** – opening/closure of a trade in the Copy Trader's account right after an opening/closure of a trade in the Trader's account which has the same direction as the Trader's trade and whose parameters are dependent on Copy settings.

**Current price** – the last actual price at the moment of processing the order.

**Current variation** – unfixed profit or loss in all open trades in the Main Trading account.

**Developer** – Company “MetaQuotes Software Corp”, the developer of the trading platform.

**Equity** – secured portion of the Client's deposit with the account of open positions which is bound to Balance and Floating (Profit/Loss) with the help of the following formula: Balance + Floating

+ Swap. These are the funds on the Client's account decreased by the amount of the current loss on the open positions and increased by the amount of the current profit on the open positions.

**Equity used** – Margin in the Main Trading account.

**Flow of Quotes** – sequence of quotes for each instrument in the trading platform.

**Force Majeure** – events that cannot be foreseen and prevented. As a rule, these are: natural disasters, wars, acts of terrorism, acts of government, legislative or executive authorities, hacker attacks, and other unlawful acts against servers resulting in destabilization of the market(s) where of 1 or several trading instruments are traded.

**Free Margin** – funds which are not used as margin for open positions. It is calculated as follows: Free Margin = Equity minus Margin.

**Hedge Margin** – deposit required by the Company to open and maintain hedged positions and indicated in contract specifications for each instrument.

**Main Trading Account** – a Trading account used for Trading and Non-trading operations within the Client’s Profile and/or shown in Traders’ Rating.

**Margin** – money deposit required by the Company to open and maintain positions.

**Margin Level** – indication showing the state of the account. It is calculated as follows:  $(\text{Equity}/\text{Margin}) * 100\%$ .

**Margin Trading** – conducting of arbitrage operations with contracts on currencies in which the volume of open positions exceeds several times the size of the variation margin.

**Market Execution** – Type of order execution when the Company makes a decision concerning the execution price without preliminary agreement with the Client. Sending a market order in this mode implies accepting beforehand a price at which the order will be executed.

**Market opening** – resumption of trading after weekends, holidays or a break between trading sessions.

**Non-market quote (spike)** – a quote which meets each of the following terms: significant price gap; return of the price within a short period of time to the initial level with a price gap; absence of fast price dynamics before this quote; lack of macro-economic developments and/or corporate news, having significant impact on the instrument rate at the moment when it turns up (the Company has the right to delete information about Spikes from the server's database).

**Non-trading operation** – a process of funds depositing in a trading account (withdrawal of the funds from a trading account) or a process of granting (repayment) of credit, or distribution of funds to the accounts within the Client’s Profile.

**Normal market** – see “Normal market conditions”.

**Normal market conditions** – state of the market, satisfying each of the following conditions: absence of long breaks in the receipt of quotes to the trading platform; absence of fast price dynamics; lack of significant price gaps.

**Opened position** – the result of the first part of a completed transaction. As a result the Client is obliged: to make an opposite transaction of the same volume and maintain Equity of his/her account not below the Stop Out level established for this type of account.

**Order** – Client's instruction to the Company to open or close position when the price has reached the level of the order.

**Payment Currency** – currency, in which deposits and withdrawals are executed

**Pending order** – Client's instruction to the Company to open (close) position when the price reaches the level of the order logging in to the system and the information necessary for authorization and records.

**Price gap** – either of two situations: Bid of the current quote is higher than Ask of the previous quote; Ask of the current quote is less than Bid of the previous quote.

**Price gap at the market opening** – either of two situations: Bid of the opening market quote is higher than Ask of the closing market quote; Ask of the opening market quote is less than Bid of the closing market quote.

**Price of the order** – price specified in the order

**Price prior to spike** - closing price of a minute bar prior to the minute bar with Spike.

**Profit sharing** – a share (%) in the Copy Trader's profit made over a completed trading period whose amount is determined by the Trader and which shall be paid into the Trader's account from the Copy Trader's account as a Commission for Copy trading.

**Server** – software of MetaTrader Server x.xxx, which processes Client's orders and requests, provides the Client with online information about trades in the financial markets (to the extent determined by the Company), keeps record of mutual obligations between the Client and the Company and controls compliance with terms and restrictions.

**Server's log file** – a file created by the server which instantly records all requests and orders sent by the Client through the Trading platform, and the results of their processing.

**Size of lot** – amount of base currency in one lot, defined in the contract specification.

**Spike** – see «Spike quote».

**Spread** – difference between Ask and Bid quotes in pips.

**Statement** – full list of completed transactions and non-trading operations on the trading account.

**Stop&Limit** - a parameter which allows setting any type of pending order at the distance from a current price level equal to or higher than the value of this parameter expressed in points.

**Swap (swap - storage)** – funds which are withheld or added to the Client's account for prolongation (suspension) of a position until next day

**Ticket** – unique identification number assigned to each open position or pending order in the trading platform.

**Trading account** – unique personified register of operations in the trading platform opened by the Client with the Company which records the Client's and the Company's obligations and liabilities arising out of transactions conducted under this Agreement.

**Trading interval** – a period of time which starts as soon as Copy Trading has started or right after a Commission payment, and which ends right before the next Commission payment.

**Trading operation** – buying or selling of an instrument by the Client.

**Trading platform** – a set of software and hardware which provides information about trading in the financial markets in the real time mode, enables trading transactions, records mutual obligations of the Client and the Company and controls compliance with terms and restrictions. In simplified form for the purpose of this Agreement, it consists of Server, Client's terminal and Client's Profile.

**Trading session** – time interval during which the Company accepts and processes requests for conducting transactions with trading tools that are not traded 24 hours, and also releases flow of prices for these tools.

**Transaction** – the whole range of trading operations when funds are transferred from base currency into the currency of a quote and vice versa.

**Volatility** – instability, variability of market rates over a concrete period.

**Volume** – a parameter of Copy settings for the “Copying a fixed size of each trade” which defines the volume of the trades to be copied onto the Copy Trader's account. It's measured in lots.

**Volume of trading operations** – number of lots multiplied by a lot size.

## 1. Terms of work

1.1. Trading account operations are conducted in accordance with this Agreement which is available for downloading on the Company's official website.

1.2. The Company provides calculation of interest on funds deposited in the trading accounts and not used for trading in the amount and in the order specified in the trading conditions on the Company's official website.

1.3. The Client is under no circumstances allowed to use technical failures and eventual vulnerability of the operation of the Trading Platform for making profits. Upon detection of such facts, the Company reserves the right to compensate for losses caused by the Client's actions at the expense of the Client (by use of funds available in the Client's accounts) and terminate this Agreement unilaterally.

1.4. Under the terms of Copy Trading provision, the Company's liability shall be limited to providing the Clients with due technical operation of the Copy Trading software and Server, and shall not concern Traders' trading results.

1.5. Non-trading operations within Client's Profile targeted at gaining profit are banned.

## 2. Procedure of opening an account

2.1. A Client of Forex Bank LA can be a natural person of full legal age or a juridical person.

2.2. The Client fills in a registration form to create his/her Personal profile in the Client's Profile and opens an account with the Company in the Client's Profile which is freely available on the Company's official website.

2.3. The Client has the right to register only one Personal Profile.

2.4. The Client receives an electronic access to account management when registering his/her Personal Profile.

2.5. Deposit and withdrawal operations are executed in the currency stipulated for given type of trading account through appropriate interface of the Client's Profile located at [my.forexbankla.com](http://my.forexbankla.com)

### **3. Description of Copy Trading**

3.1. The Company provides automation of Copy Trading according to current Copy Settings by use of Trading Platform; calculation and payment of Commission; update on the state of Traders' accounts in Traders' Rating.

3.2. The Company reserves the right to deny the Client the Copy Trading service and/or display of his/her account in Traders' Rating with no reason given.

3.3. The Client's acceptance of the terms of the Agreement does not form contractual relationships between the Copy Trader and Trader and therefore does not result in concluding an agreement between them.

3.4. The Trader has a right to use any trading strategy complying with this Agreement.

3.5. The Trader conducts trades by use of his/her own funds and does not provide asset investment services or advice to Clients.

3.6. The Copy Trader has a right to set the parameters of Copy settings independently, including the possibility to change the Percent of the Volume, which allows him/her to equate trading risks in the Copy Trader's account with the risks in the Trader's account, or cut them down to an acceptable level.

3.7. The Trader has a right to set his/her Profit Share in a 0% – 100% range and change it at any time. At the same time, the new value of Profit Share will not apply to the existing trading accounts of Copy Traders.

3.8. Allowing his/her account to be shown in Traders' Rating, the Client confirms his/her consent to Copying trades from this account.

3.9. To start Copying, the Client shall choose a Trader from Traders' Rating and a Copy type, specify Amount to copy and Copy Settings relevant to the selected Copy type.



3.10. The Copy Trader has a right to change Copy settings at any time under the relevant Copy Type. Changes will not apply to the trades copied earlier and will only concern subsequent trades. Copy type cannot be changed.

3.11. Trader understands and agrees that, on the account available for Copying trades from locked positions cannot be closed using Trading Platform's functions «Close#... by#...» and «Multiply Close By» described in paragraphs 6.18 and 6.19.

3.12. Trades from the Trader's own account may not be copied.

3.13. Trades from the Trader's account are copied to the Copy Trader's account provided that there is enough equity on the Copy Trader's account. The Company does not pay Commission for the trades that were not copied because of lack of equity in the Copy Trader's account.

3.14. The trades copied onto the Copy Trader's account are executed at current market prices which therefore can be different from the prices at which the respective trades have been executed in the Trader's Account. The Company does not compensate for an eventual difference in profit/loss and eventual difference in Commission amounts concerning such trades.

3.15. If the volume of a trade to be copied onto the Copy Trader's account is more than the maximum trade volume set by the Company on the trading server for a particular trading instrument, the trade shall be copied with the maximum trade volume applicable to this trading instrument on the trading server.

3.16. If the volume of a trade to be copied onto the Copy Trader's account is less than the minimum trade volume set by the Company on the trading server for a particular trading instrument, the trade shall be copied with the minimum trade volume applicable to this trading instrument on the trading server.

3.17. When calculating the volume of a trade to be copied onto the Copy Trader's Account, the volume shall be rounded to a value equal to 1 trade volume increment set for the trading instrument.

3.18. All Copy Settings shall be set by the Copy Trader independently. The Trader cannot influence the choice of Copy Type or the copying process in general.

3.19. The Company provides four types of Copy Trading and each of them has different parameters of Copy Settings:

3.19.1. Full size copying 1 to 1. This Copy type implies that the volume of a trade copied onto the Copy Trader's account is equal to the volume of the respective trade in the Trader's Account.

3.19.2. Copying a fixed size of each trade. This Copy type implies that the volume of a trade copied onto the Copy Trader's account is always identical to the Volume pre-set in Copy Settings.

3.19.3. Copying a predefined percent of each trade. This Copy type implies that the volume of a trade copied onto the Copy Trader's account is equal to the volume of the respective trade in the Trader's account multiplied by the Percent of the Volume. The following formula applies to this Copy type: Trade volume in the Copy Trader's account = Trade volume in the Trader's account \* Percent of the Volume /100

3.19.4. Copying in proportion to Copy Trader's equity. This Copy type implies that the volume of a trade copied onto the Copy Trader's account shall be computed by use of the following formula:

Trade volume in the Copy Trader's account = Trade volume in the Trader's account \* Amount to copy/Trader's Equity, where

Amount to copy is defined by Copy Settings;

Trader's Equity is the amount of funds in the Trader's account at the moment of trade copying.

3.20. In order to limit potential losses in the Copy Trader's account, the Client may set Copy Stop Terms:

a) Maximum profit expressed in the Copy Trader's account currency. This value reached, Copying will be suspended and trades copied earlier will be closed;

b) Maximum loss expressed in the Copy Trader's account currency. This value reached, Copying will be suspended and trades copied earlier will be closed;

3.21. The equity amount in the Copy Trader's account is compared with the Copy Stop Terms every 3 (three) minutes.

3.22. Every Trading Interval in the Copy Trader's account ends with Commission Payment taking place once every 24 hours.

3.23. Commission payment occurs in the presence of a positive aggregate profit from copied trades in the Copy Trader's account. Only the trades copied from the Trader's account and closed after the previous Commission payment shall be considered when calculating aggregate profits.

3.24. During Commission payment, Commission is deducted from the Copy Trader's account and transferred to the Trader's account.

3.25. The amount of Commission is computed by means of the following formula:  
Commission = Aggregate profits from copied trades over Trading Interval \* Profit Share / 100

3.26. All settlements between the Trader and the Copy Trader are realized only by use of the special software developed by the Company. If Commission Payment has not taken place due to a technical failure, it shall be executed as soon as the failure has been eliminated and the operation of the Client's Profile has been resumed in full.

3.27. A request for Commission Payment is made automatically in Copy Trader's each particular Account in the following cases:

- a) End of Copying;
- b) Change in Copy Settings.

3.28. In case there is not enough equity to pay out Commission, a partial payment equal to the amount of available equity will take place.

3.29. The Copy Trader has a right to end Copying at any time. At the same time, the Copy Trader realizes and agrees that all current copied trades will be closed at current prices. All settlements and Commission Payment take place automatically before the end of Copying.

3.30. For the Trader's account to be removed from Traders' Rating, the following actions shall be performed in the given order:

- a) Request to perform automatic settlements and Commission Payment in all current Copy Traders' accounts;
- b) Closure of all copied trades in Copy Traders' accounts;
- c) Detachment of all Copy Traders from the given account.

3.31. The Trader has the right to stop Copy Trading in his/her Main Trading Account at any time. At the same time, all current trades in the account remain open.

3.32. The Company has the right to remove the Client's Account from Traders' Rating with no reason given and with subsequent notice, and in the following cases:

- a) Drop of the Trader's account overall profitability to/below -95% (minus ninety-five percent);
- b) No activity in the account in a 30-day period;

c) Detecting fraud or violation of the provisions of this Agreement or a suspicion that the Trader has performed actions aimed at making illegal profits from using the Client's Profile.

3.33. The Copy Trader's account equity available for withdrawals is decreased by the current Commission amount.

3.34. The Copy Trader fully accepts all risks that may be related to Copy Trading.

3.35. The Copy Trader assumes responsibility for providing enough funds to open and maintain positions in his/her account, and for paying Commission.

3.36. The Copy Trader understands and agrees that aggregate margin requirements in the Copy Trader's and Trader's accounts may be different.

3.37. The Copy Trader understands and accepts all possible risks related to losses or missed profits incurred as a result of rounding values when using Copy Settings.

3.38. The Copy Trader accepts the fact that the suspension of Copying upon reaching Copy Stop Terms can take place at a later time and result in a bigger maximum loss.

3.39. The Trader assumes the risk of not receiving Commission or a part of Commission due to the absence of necessary funds in the Copy Trader's account at the moment of Commission Payment. The Company shall not be held liable for compensation of missed Commission if the amount cannot be debited from the Copy Trader's account in full.

3.40. Under no circumstances shall the Company assess the competence and business/ethical qualities of Traders and be liable for incurred losses or missed profits.

3.41. The Company shall not be held liable for the risk of deliberate or inadvertent failure of the Trader to safeguard interests of Copy Traders. In such cases, all risks shall be the responsibility of Copy Traders.

#### **4. Settlement procedure**

4.1. The Client has the right to withdraw his/her own funds which are not encumbered with deposit obligations or Commission payments in case of Copy Trading.

4.2. Money transfers are made within 1-3 banking days.

4.3. Money transfer can be deferred by the Company for the period of 14 working days in exceptional cases requiring verification of compliance of trading and non-trading operations conducted by the Client with the terms and conditions of this Agreement. If such situation occurs, Company shall immediately notify Client by e-mail specified in the Client Profile. The Client has the right to request the status of the verification process only by contacting Trading operations department by e-mail at: [contacto@forexbankla.com](mailto:contacto@forexbankla.com)

4.4. The Client's payment instruction received, the amount to withdraw is deducted from the Client's account balance at the moment of receiving the payment instruction.

4.5. In case of return of funds, the Client pays transfer fees.

4.6. The Client gives all instructions related to deposits and withdrawals of funds from the account through the Client's Profile at <https://my.forexbankla.com> in the order determined by the algorithm of Client's Profile operation.

4.7. The Company corrects balances in the accounts with a fixed negative value in the "Balance" column in the trading terminal on the 1st of each month. Correction (setting to zero) of trading accounts shall be applied solely to those accounts in which no trades are conducted at the moment of correction, i.e. no active open trading positions are present (pending orders will not be considered). Bonus funds are deducted from the "Credit" column with the comment "bonus\_out (negative balance)". At the same time, funds in the amount equal to the negative balance value are put into the account with the comment "Zero Balance Correction".

4.8. The Client can withdraw funds from his/her account using any payment system which is accessible in the Client's Profile.

4.8.1. If funds withdrawal is made via electronic payment systems, the withdrawal is possible only to the same system and with the same payment details within the system that were used to top up the trading account, and in same currency in which the deposit was made. If the account was topped up by different ways, in various currencies and using different payment details, withdrawals should be made proportionally.

4.8.2. If the Client's payment details within the payment system are changed for some reason, the Client shall notify the Company by sending an email to the financial department with a photo where the Client is holding an ID close to his/her face attached. Otherwise, the Company reserves the right to deny funds withdrawal by use of new payment details.

4.9. Deposit of Client's funds can be made by any methods available on the Company's site.

4.9.1. The Client acknowledges that in case of software failure there can be delays in depositing funds in his/her trading account.

4.9.2. The Company undertakes to deposit funds in the Client's trading account in case of any software failure resulting in delay in automated deposit provided that the Company was informed about the delay by the Client.

4.10. The Company doesn't charge any deposit or withdrawal fees from Clients' trading accounts.

4.11. The Client understands and accepts the fact that his/her money withdrawal request may be declined, and money will be retransferred to the Client's account if the Client did not provide necessary identification information (copy of ID document, bank card or any other documents required by the Company based on the AML policy) upon the Company's request via the Client's Profile within 7 (seven) business days following the request.

#### 5. Types of trading account and their parameters

5.1. The types of trading accounts which the Client opens with the Company are determined by the description to be found in Client's Profile. The parameters of the trading accounts available to the Client are preset by the Company within the functional limits of the Client's Profile. The main parameters of trading accounts are the following:

Lot size;

Leverage;

Margin Call level;

Stop Out level;

Base currency.

5.2. The parameters of the trading accounts available to the Client are specified on the Company's official website in the "Account types" section.

5.3. The Company has the right to modify the leverage size of the Client's trading account anytime according to the description stated in the Client's Profile at <https://my.forexbankla.com>

and on the Company's official website in the "Account types" section. At the same time, the Company undertakes that the Client will be post factum informed of any modification by email.

## **6. Trading operations**

6.1. When conducting trading operations, “Market Execution” quoting mechanism is applied, regardless of the Client's account type.

6.2. Client's requests are processed through the following consecutive stages:

- a) The Client makes a request which is checked for correctness in the Client’s terminal;
- b) The Client’s terminal sends the request to the server;
- c) The Client's request comes in the server where it's checked for correctness. The message “request was accepted by server” appears in the log of the trading terminal;
- d) The Server sends the result of the processing to the Client’s terminal;
- e) Once stable connection between the Client’s terminal and the Server set, the Client’s terminal receives the result of the processing of the Client's request.

6.3. The Client may cancel the request sent earlier before it’s accepted for processing.

6.4. The time of processing depends on the quality of terminal-server connection and the market state. Under normal market conditions, the processing of a client's order usually takes 3-5 seconds, in other market conditions the time of processing can amount to 5-15 seconds, as a rule.

6.5. The Server can refuse the Client's request in the following cases:

- a) At the opening of the market, with the message “No price”, if the Client makes a request before the first quote is provided into the trading platform;
- b) If there are no available funds for opening a position (with the message “Not enough money”);
- c) Under market conditions different from normal ones.

6.6. The Client confirms that the Company can modify, add, and rename the Company’s Services provided in accordance with this Agreement, with a subsequent notification.

6.7. The Company has the right to modify the margin amount without preliminary notice in case of force majeure circumstances or increased volatility conditions (for example, during New Year's week).

6.8. The Company only ensures execution of Client’s trading operations without providing assets management or recommendations.

6.9. The Client’s Profile shall be the main means of sending requests. The Client has the

right to give an order to Forex Bank LA operator by phone only in case of impossibility of sending an order through the Client's Profile for some technical reasons. A phone conversation with the personnel of Trading Operations Department shall be carried out in English.

6.9.2. The Company may enlarge the number of means for sending Clients' requests with a notification message to the clients.

6.10. A "Buy" operation is opened at the "Ask" price. A "Sell" operation is opened at the "Bid" price. A "Buy" operation is closed at the "Bid" price. A "Sell" operation is closed at the "Ask" price.

6.10.1. In case the total volume of the Client's open transactions exceeds the limits indicated in base currency in the trading conditions specified on the Company's official website, the Company reserves the right to change the trading conditions with notification to the Client:

- a) change transaction minimum volume;
- b) change leverage size;
- c) change margin requirements for one or several trading tools.

6.10.2. The Company has the right to cancel or revise the results of the Client's transaction in the following cases:

- a) The transaction is opened/closed at a Non-market quote;
- b) In case of Server malfunctions.

6.10.3. The Company has the right to increase spreads under certain conditions (for instance, in case of high volatility during New Year's weeks). Please acquaint yourself with the table of current spreads on the Company's official website in the "Trading conditions" section.

6.11. When a position is carried over to the next working day (including the "Friday-Monday" transfer), swaps are calculated on each open position. Triple swaps are calculated in the night from Wednesday to Thursday. The value of current swaps specified on the Company's official website in the "Trading conditions" section

6.11.1. The Company has the right to cancel the "Islamic" status of an account and calculate swaps for having carried over transactions if the Client has broken the terms of this service provision. Islamic accounts are provided solely with the purpose of avoiding a breach of religious canons. The Company has the right to start charging a fee for servicing Islamic Accounts at any time. In case the amount of missed swaps exceeds \$100,000 (or equivalent in another currency), the Client undertakes to compensate the Company for expenses associated with carrying the Client's positions in his/her accounts over to the next trading day.



6.12. A position is opened by means of sending a request from the Client's terminal or the Client Profile to the Server. Optional parameters can be changed for open orders.

6.12.1. Mandatory and sufficient parameters of a client request:

- a) Name of the tool;
- b) Trading operation volume.

6.12.2. Optional parameters of a client request:

- a) Level of the stop-loss order. The value 0.0000 means that the order isn't placed (or is removed if placed before);
- b) Level of the take-profit order. The value 0.0000 means that the take-profit order isn't placed (or is removed if placed before).

6.12.3. In order to send a "Buy" request with no adviser applied, please click on the "Buy" button in the window of the trading order.

6.12.4. In order to send a "Sell" request with no advisor applied, please click on the "Sell" button in the window of the trading order.

6.13. The current list of quoted and traded tools specified on the Company's official website in the trading conditions.

6.14. If there is enough free margin on the account to open a position, the position is opened, the corresponding commentary is entered into the log file of the Server. (When hedging positions, margin corresponds to the value indicated in the Company's trading conditions at the official site).

6.15. If there isn't enough free margin to open a position, the position isn't opened, the commentary "Not enough money" appears in the order window, the corresponding commentary "not enough money" is entered into the log file of the Server.

6.16. The Client's order to open a position is considered processed and the position is opened after the corresponding commentary appears in the log file of the Server. Every opened position is given a Ticket in the Trading platform.

6.17. A position is closed by means of sending a request from the Client's terminal or the Client's Profile to the Server. Mandatory and sufficient parameters of a client request:

- a) The Ticket of the position to be closed;
- b) Trading operation Volume (not more than the volume of the transaction to be closed).

6.18. If there are two or more locked positions in the list of open positions on the trading account, the "Close by" option will appear in the "Type" drop-down list when forming a request stop-loss or an order to close any of them. After this option is chosen, one or several

open positions of opposite direction will be shown. When choosing a position from the list, the «Close#... by#...» button will be enabled, by clicking on which the Client closes locked positions of the same volume or partially closes 2 locked positions of different volume. At the same time, the lesser position and symmetric part of the major one are closed with the opening of a new position in the direction of the major one which is given a new Ticket.

6.19. If there are two or more locked positions in the list of open positions on the trading account, the «Multiple Close By» option will appear in the “Type” drop-down list when forming a request or an order to close any of them. After this option is chosen, the list of all positions on the given instrument appears and the «Multiple Close By For» button is enabled, by clicking on which the Client closes the whole of locked positions on the instrument. At the same time, a new position which is given a new Ticket is opened in the direction of the major total volume.

6.20. The Client's order to close a position is considered processed and the position - closed after the corresponding commentary appears in the Server's log file. After the order is sent to the Server, it can go through the following phases:

- a) Started — the order has been checked for correctness but not yet accepted by a broker;
- b) Placed — the server accepted the order;
- c) Partially filled — the order is partially filled as to its volume
- d) Filled — the order is fully filled
- e) Cancelled — the order has been cancelled by a client;
- f) Rejected — the order has been declined by the server;
- g) Expired — the order is removed upon its expiration.

6.21. A pending order is an order given to a broker to buy or to sell a financial instrument in the future according to conditions stipulated by a Client.

6.22. «Metatrader 4» trading platform provides the following types of pending orders:

- a) «Buy Limit» — a trading order to buy at the “Ask” price that is equal to or better than the one stipulated in the order. At the same time, current price level is higher than the value fixed in the order.
- b) «Buy Stop» — a trading order to buy at the “Ask” price that is equal to or better than the one stipulated in the order. At the same time, current price level is lower than the value fixed in the order.
- c) «Sell Limit» — a trading order to sell at the “Bid” price that is equal to or better than the one stipulated in the order. At the same time, current price level is lower than the value fixed in the order.
- d) «Sell Stop» — a trading order to sell at the “Bid” price that is equal to or better than

the one stipulated in the order. At the same time, current price level is higher than the value fixed in the order.

6.23. «Metatrader-5» trading platform provides some more types of pending orders in addition to those indicated in p. 6.22:

a) «Buy Stop Limit» — this type of order combines the first two types representing a stop order to place a “buy limit” order. As soon as the future “Ask” price reaches the value indicated in this order, a Buy Limit order will be placed at the level indicated in the order. At the same time current price level is lower than the one that must be reached for the pending order to be placed.

b) «Sell Stop Limit» — this type of order is a stop order to place a “sell limit” order. As soon as the future “Bid” price reaches the value indicated in this order, a Sell Limit order will be placed at the level indicated in the order. At the same time, current price level is higher than the one that must be reached for the pending order to be placed, and the price of the pending order is higher than the placement level.

6.24. The following orders can be used for closing a position:

a) «Stop-loss» – this order is intended for minimizing losses in case the price of a financial instrument starts moving at a loss. If it reaches an unprofitable level, the position will be automatically closed. Such orders are always connected with an open position or a pending order. They can be placed only along with market or pending orders.

b) «Take-profit» order is intended for getting profits when the price of a financial instrument reaches the level forecasted. If executed, this order will close a position completely. It's always connected with an open position or a pending order and can be placed only along with a market or pending order.

6.25. «Stop Loss» and «Take Profit» orders are always connected with market or pending orders.

6.26. When sending a request to place a pending order, the Client shall specify the following mandatory parameters:

- a) Name of the tool;
- b) Position volume;
- c) Type of order (Buy Stop, Buy Limit, Sell Stop, Sell Limit, Buy Stop Limit, Sell Stop Limit);
- d) Price of the order.

6.27. When sending a request to place a pending order, the Client may specify the following optional parameters:

- a) The stop-loss level of the pending order. The value 0.0000 means that the stop-loss

order isn't placed (or is removed if placed before);

b) The take-profit level of the pending order. The value 0.0000 means that the take-profit order isn't placed (or is removed if placed before);

c) Period (date and time) until which the pending order is valid.

6.28. The request will be declined if one of the mandatory parameters is lacking or is preset incorrectly and/or one of optional parameters is preset incorrectly.

6.29. The Client may modify any optional parameter and the opening price for current pending orders.

6.30. If the Stop & Limit value is preset for a currency pair, all types of pending orders may be placed at the distance that is equal to or higher than this value.

6.30.1. The "Ask" price is considered as a current market price for "Buy Limit" and "Buy Stop" pending orders and "Take profit"/ "Stop loss" "Sell" orders to close.

6.30.2. The "Bid" price is considered as a current market price for "Sell Limit" and "Sell Stop" pending orders and "Take profit"/ "Stop loss" "Buy" orders to close.

6.31. Please acquaint yourself with the current «Stop&Limit» value for each currency pair on the Company's official website in the trading conditions.

6.32. An order will be enqueued for processing in the following cases:

a) «Buy Limit» and «Sell Stop» orders are enqueued for processing at the moment when a current price in the quotes flow becomes equal to or lower than the level of the order;

b) «Sell Limit» and «Buy Stop» orders are enqueued for processing at the moment when a current price in the quotes flow becomes equal to or higher than the level of the order.

6.33. When a pending order is received, the Server automatically checks if the conditions necessary for conducting a transaction are satisfied. If there is enough money to open a position, the position will be opened.

6.34. The execution of an order is attended by the corresponding commentary in the Server's log file. At the same time, the position opened by pending order's execution reserves the ticket of the pending order. In case there isn't enough money to open a position, the order will be deleted. The removal is attended by the corresponding commentary in the Server's log file.

6.35. An order is considered executed after the corresponding commentary has appeared in the Server's log file.

6.36. In case of considerable price gaps, the execution of orders will be determined by the following rules:

- a) A pending order whose price and "Take Profit" and/or "Stop Loss" concurred with a price gap, is cancelled. This operation is recorded in the Server's log file;
- b) A "Take Profit" order whose level concurred with a price gap will be executed at the price specified in the order;
- c) A "Stop Loss" order whose level concurred with a price gap will be executed at the price that will be the first after the price gap. This operation is recorded in the Server's log file;
- d) Pending orders "Buy Stop" and "Sell Stop" are executed at the price that will be the first after the price gap. This operation is recorded in the Server's log file;
- e) Pending orders "Buy Limit" and "Sell Limit" are executed at the price specified in these orders. In the event of insignificant price gaps, orders may be executed at the originally specified prices.

6.37. If there's not enough free margin to open a position, a pending order will be automatically deleted after the reception. This operation is recorded in the Server's log file.

6.38. As to CFDs, the orders "Buy Stop", "Sell Stop", "Buy Limit", "Sell Limit" are valid within 1 calendar day on which they were set. They are cancelled upon the expiration of this calendar day.

## **7. Compulsory closure of positions**

7.1. The Company has the right to close Client's open positions compulsorily without notice if the account current Margin Level is less than 100% of the margin necessary for maintaining open positions (Margin Call).

7.2. The Company is unconditionally obliged to start closing unprofitable transactions on condition that account Margin Level becomes lower than the margin necessary for maintaining open positions (Stop Out). The necessary margin level is indicated on the Company's site in this section "Types of trading accounts".

7.3. Account current state is monitored by the Server that generates an order to close a position compulsorily (Stop out) if the condition 7.2 is satisfied. Stop Out is performed at the market current price in the order that Clients' requests arrived. A compulsory closure of a position is attended by the corresponding commentary "stop out" in the Server's log file.

7.4. In the presence of several open positions, the one with the biggest floating losses will be closed the first.

7.5. In exceptional cases the Company has the right to compensate for negative balance in the Client's account using funds deposited in the Client's another account.

7.6. The Client is obliged to personally monitor the state of his/her trading account and top it up at his/her discretion if necessary in order to avoid the closure of transactions following Margin

Call and Stop Out. The Company is not liable for the closure of transactions following Stop Out if the Client is not able to make a deposit in his/her account timely for any reason. If automatic deposit of an account is found impossible, the Client can contact the Company's employee.

## **8. Procedure for handling claims and disputes**

8.1. Parties of this Agreement try to settle all disputes through negotiations and by way of holding correspondence in accordance with procedures for claims.

8.2. The Company accepts claims arising under this Agreement only in writing and not later than three calendar days from the date (day) of a dispute.

8.3. The Client must write an e-mail and send it to the Trading operations department at [contacto@forexbankla.com](mailto:contacto@forexbankla.com) without disclosing this information before the examination ends. Claims submitted otherwise will not be considered.

8.4. Period of time for examining a claim from the Client is not more than 14 working days.

8.5. If a claim is justified, the dispute is settled only by means of compensatory payment transferred to the Client's trading account. If the Client had intention to commit an action but did not commit it for some reason, the Company shall not reimburse for the losses resulted from such omission and shall not compensate for moral damages.

8.6. In case of a positive decision on a dispute the Company makes compensation payment to the trading account of the Client within one working day from the moment of a positive decision on a dispute.

8.7. The Client's claim shall contain the following information:

- a) Full name;
- b) Client's e-mail or trading account number;
- c) Dispute date and time;
- d) Ticket of a disputable trade (if necessary);
- e) Substance of the claim without excessive emotions.

Claims submitted otherwise will not be considered.

8.8. The Company is entitled to refuse examination of a claim if:

- a) A claim doesn't meet the items 8.2, 8.3, 8.7;
- b) A claim contains obscene words and/or insults concerning the Company or its employees;
- c) A claim contains threats against the Company or its employees;
- d) The Client uses the threat to blacken the Company's reputation in social networks and other internet resources as an argument.

8.9. In case of disputes about the state of the Client's account, all parties examine the protocols of the Client's operations by use of the Company's Server's log files.

8.10. The Company has the right to cancel a transaction result if the transaction was executed by using funds obtained as a result of violation of the terms specified in this Agreement.

8.11. In case of a conflict situation, which is not described in this Agreement, the Company makes final decision on the basis of generally accepted market practice and ideas of a fair settlement of a dispute.

## **9. Client identification**

9.1. The Company has the right to require the Client to confirm his/her registration information specified when opening a trading account. To do so, the Company may ask the Client at its own discretion and at any time to provide a notarized electronic copy of his/her identification document,

bank statement or public utilities bill as a proof of residence. In particular cases, the Company may ask the Client to provide a photo of him/her holding his/her ID near his/her face. The detailed client identification requirements are set out in the "AML policies" section on the Company's official site.

9.1.1. In exceptional cases, the Company has a right to demand that the Client provide a video record or a live video where he/she is reading aloud his/her personal information in English, holding the identity document opened at the photo page close to his/her face.

9.2. If the Client hasn't received a request for scanned copies of documents, the account verification procedure is not obligatory, but the Client can upload voluntarily a copy of the Passport or another document confirming his/her identity to the Client's Profile to ensure account verification. There should be taken into account some which require full profile verification according to the specificity of the Trading Platform's operation.

9.3. If any Client's registration data (full name, address or phone number) have been changed, the Client is obliged to notify immediately the Company's client support department of these changes by sending a request to [contacto@forexbankla.com](mailto:contacto@forexbankla.com) or to make changes without assistance in the Client's Profile.

9.4. To change the phone number related to the Client's Profile, the Client shall provide a document confirming ownership of a new phone number (agreement with a mobile phone service provider) and a photo of the ID held beside the Client's face. The Client's personal data shall be the same in both documents.

9.5. The Client is responsible for authenticity of the documents (their copies) and recognizes the right of the Company to contact the appropriate authorities of the country of the documents issuer to validate their authenticity.

## **10. Authorities and responsibilities of the Company and the Client**

10.1. The Client has the right to:

- a) conduct trading operations on the Trading account, in accordance with the terms of this Agreement;
- b) receive all information related to the Trading account through the interface of the Client's Profile or using contact details indicated in the Client's Profile;
- c) make deposits into his/her Trading account and withdraw funds according to the terms of this Agreement.

10.2. The Client acknowledges that any market recommendations and information submitted to the Client by the Company or by any person in the Company do not represent a proposal to conduct a transaction.

10.3. The Client is informed and agrees that the Company is not liable for acts or omissions of the Client to conduct operations on his/her own Trading accounts.

10.4. The Client confirms that he or she is solely responsible for the state of his/her Trading accounts and Personal Profile.

10.5. The Client undertakes to guarantee protection to the Company against various



liabilities, costs, claims, damages that may arise directly or indirectly due to Client's failure to comply with obligations under this Agreement.

10.6. The Client acknowledges that he/she is obliged to provide copies of documents as requested by the Company which confirm data that he/she provided during registration, and he/she must ensure that all information provided by the Client to the Company is true, correct and complete; the Client must inform the Company of all changes immediately.

10.7. The Client:

- a) agrees to bear responsibility for all actions executed within his/her Client's Profile, including transactions executed in the financial markets;
- b) guarantees safety of his/her account data and passwords. In case of loss or transfer of these data to third parties full responsibility rests with the Client.

10.8. The Client agrees that the Company or any third party, involved in providing services to the Client, is not responsible for any phone line or Internet failures, or any incidents and circumstances, which do not depend on the Company.

10.9. The Client acknowledges that, according to AML Policy, the Company has the right to require the details of the Client's bank account opened in the name of the Client, imposing restrictions on funds withdrawals only by bank transfer by use of the specified bank account details. If the Client refuses to provide these details, the Company reserves the right to block all the account operations until the specified information is provided.

10.10. The Client agrees that if the Company has a reason to believe that the Client's trading account is used for money laundering or the account holder conceals information or provides wittingly false registration data, as well as if there is a reason to believe that trading operations on the Client's trading account have been executed by violating this Agreement, the Company reserves the right to suspend all operations within the Client Profile and on the Client's trading accounts to carry out necessary checks (check of registration data, client identification, verification of the history of account deposits, etc.) until all the circumstances are clarified.

10.11. The Company:

- a) is not a provider of communication services and is not liable for non-fulfillment of obligations due to failure in communication channels;
- b) does not compensate Clients for moral damages.

10.12. The Company, at its own discretion, can provide information, guidance and advice to

the Client, however in this case the Company will not be liable for the consequences and benefits arising from recommendations and advice to the Client. The Client acknowledges that in the absence of fraud, willful default or flagrant negligent performance the Company shall not be liable for any losses, costs, expenses which the Client may suffer due to inaccurate information provided to the Client, including but not limited to information about trading operations of the Client.

10.13. The Company is not liable to the Client for any damages, losses, lost profit, lost opportunities, costs (arising from possible movements in the market), unless otherwise specified in this Agreement.

10.14. The Company reserves the right to change or modify this Agreement, notifying the Client by email 7 calendar days before the amendments come into force.

10.15. The Company assures that the data provided by the Client in the registration form are strictly confidential.

## **11. Client Risk Disclosure**

11.1. Risk of losses when trading at the financial markets can be quite significant. The Client must carefully examine his/her financial capacity with respect to such trading operations.

11.2. The Client can lose his/her initial funds in full, as well as any additional funds deposited to enhance or control positions in the market in accordance with this Agreement.

11.3. Restrictive orders, such as “stop-loss” are not always effective to limit losses of the Client within pre-planned amount, since market conditions can make execution of such orders impossible.

11.4. The Client must understand that the Company is not liable for losses, directly or indirectly caused by restrictions imposed by the government, currency or market regulations, suspension of trading, war or other conditions, normally called “force majeure” and which are beyond the control of the Company.

11.5. The Company has ample grounds to determine boundaries of force-majeure circumstances. The Company takes appropriate steps to inform Clients of force-majeure.

11.6. Algorithm of trading transactions is determined directly by the developer of the software used by the Company.

11.7. This brief notification of Client's risk does not cover all risks which can occur during conversion arbitrage operations at Forex market and other financial markets.

## **12. Termination of the Agreement**

12.1. This Agreement will be terminated in case of:

- a) full withdrawal of the funds by the Client from the Trading Platform, which puts an end to the relations regulated by this Agreement;
- b) violation by the Client of the terms described in this Agreement.

12.2. The Company has the right to terminate this Agreement unilaterally informing the Client about the termination. The termination of the Agreement doesn't cancel the Company's and the Client's engagements which have already arisen in accordance with this Agreement, including in respect of open positions or funds withdrawal/deposit operations in the Client's trading account.

12.3. If the Company terminates the activity regulated by this Agreement:

- a) The Company notifies the Client of it one month before such termination;
- b) The Company pays out the Client's funds available in the trading account at the moment of termination.

12.4. In case of the Client's death:

- a) The right to withdraw funds from the Client's trading account is transferred to heirs in due order or to heirs by will;
- b) The right to use the Client's trading account and the right to execute transactions on the financial markets are not inherited.

12.5. The Client agrees that the Company reserves the right to deny or restrict the Client's access to the Company Services notifying him/her beforehand. In this case, this Agreement will be canceled from the moment of service provision termination.