



# Client Agreement

**Prime Market Service Limited**

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## **Client Agreement**

### **INTRODUCTION**

1.1 Prime Market Service Limited (hereinafter referred to as 'PMS' or the 'Firm') is an investment firm that operates as a global broker.

### **ACKNOWLEDGEMENT**

2.1 The *client* acknowledges that he/ she read, understood and accepted the Client Agreement, the Risk Disclosure Notice (Annex A) and the Terms and Conditions, as amended from time to time, in addition to any information contained within the Firm's website available online at <https://www.pmsfx.com>, including but not limited to the information contained within the 'Legal Information' and the 'Legal Documentation' sections (together, the 'Service Agreement').

2.2 By accepting the Service Agreement the *client* enters into a binding legal agreement with the Firm.

2.3 The *client* acknowledges that the Firm's official language is the English language.

### **SCOPE OF THE CLIENT AGREEMENT**

3.1 The Client Agreement forms the basis on which PMS provides investment and Ancillary services to the *client*.

3.2 The Client Agreement is non-negotiable and overrides any other agreements, arrangements, express or implied statements made by PMS unless the Firm, in its sole discretion, determines that the context requires otherwise. If the Client Agreement were to be amended, reasonable notice shall be given to the *client*.

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### COMMENCEMENT OF THE SERVICE AGREEMENT

4.1 The Service Agreement shall commence once the *prospective client* receives an e-mail that contains the *trading account* number and certain documents; namely, the Terms and Conditions, the Order Execution Policy, the Client Categorisation Notice, the Investor Compensation Fund Notice and the Conflicts of Interest Policy.

### INTERPRETATION OF TERMS

5.1 Unless indicated to the contrary, the defined terms included in the Client Agreement shall have a specific meaning and may be used in the singular or plural as appropriate.

#### *Authorized Representative*

Shall mean either the natural or legal person who is expressly authorized by the *client* to act on his/ her behalf; the above mentioned relationship is documented through a Power of Attorney, a copy of which is held by the Firm.

#### *Balance*

Shall mean the funds available in a *trading account* that may be used for trading financial instruments.

#### *Balance Currency*

Shall mean the currency that the *trading account* is denominated in; it should be noted that all charges including spreads, commissions and swaps, are calculated in that currency. *Client* Shall mean either the natural or legal person who received the e-mail referred to in paragraph 4.1, above.

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### *Closed Position*

Shall mean the opposite of an *open position*.

### *Contract for Difference (CFD)*

Shall mean a CFD on spot foreign exchange ('FX'), or a CFD on shares, or a CFD on spot metals, or a CFD on futures or any other CFD related instrument that is available for trading through the PMS trading platform(s); a full list of the financial instruments is available online at <https://www.pmsfx.com>.

### *Equity*

Shall mean the *balance* plus or minus any profit or loss that derives from any *open positions*.

### *Free Margin*

Shall mean funds that are available for opening a position.

It is calculated as:  $\text{Free Margin} = \text{Equity} - \text{Margin}$

### *Margin*

Shall mean the required funds available in a *trading account* for the purposes of maintaining an *open position*.

### *Margin Level*

Shall mean the Equity to Margin ratio calculated as:  $\text{Margin Level} = \text{Equity} / \text{Margin}$



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### *Market Maker*

Shall mean the company, or the individual, that quotes both a buy and a sell price in a financial instrument.

### *Open Position*

Shall mean any position that has not been closed. For example, an open long position not covered by the opposite short position and vice versa.

### *Over-the-Counter (OTC)*

Shall mean the execution venue for any financial instruments whose trading is governed by the Service Agreement.

### *Prospective Client*

Shall mean either a natural or legal person who completed the application form that can be found under the 'PMS Trading Account Registration' section, available online at <https://www.pmsfx.com>.

### *Trading Account*

Shall mean the account, which has a unique number, maintained by a *client* for the purposes of trading financial instruments through the PMS trading platform(s).



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### *Terms and Conditions*

Shall mean the 'PMS Terms and Conditions of Business' govern the actions that relate to the execution of the *client's* orders; available online at <https://www.pmsfx.com>

### *Value Date*

Shall mean the delivery date of funds.

## PROVISION OF SERVICES

6.1 PMS provides investment and ancillary services to the *client*, details of which are provided by online at <https://www.pmsfx.com>

6.2 PMS offers, on an execution-only basis, a number of financial instruments to the *client* the contract specifications of which are available online at <https://www.pmsfx.com>

6.3 The trading conditions and execution rules of the financial instruments on offer by the Firm can be found online at <https://www.pmsfx.com>, at any given time. Upon notice to the *client*, PMS reserves the right to amend, from time to time, both the trading conditions and execution rules. Even if the Firm amends any part of the trading conditions and/ or execution rules the *client* continues to be bound by the Service Agreement, including but not limited to any amendments that have been implemented.

6.4 Unless specifically agreed, PMS is under no obligation to monitor or advise the *client* on trading, therefore, the Firm may execute an instruction received by the *client* even if such transaction is not suitable for the *client*.

6.5 Under no circumstances, PMS shall provide investment advice or recommendation to the *client* or state an opinion in relation to a transaction. The *client* understands that if necessary, independent advice should be sought in relation to trading financial instruments, including but not limited to trading specific financial instruments, investment strategies pursued, charges and



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tax implications.

6.6 PMS, from time to time and as often as it deems appropriate, may issue material ('the Material'), which contains information including but not limited to the conditions of the financial market, posted through its website and other media. It should be noted the Material is 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. PMS 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 recommendation, forecast or other information supplied by any employee of PMS, a third party or otherwise. The Material is not prepared in accordance with legal requirements promoting the independence of investment research and it is not subject to any prohibition on dealing ahead of the dissemination of investment research. All expressions of opinion included in the Material are subject to change without notice. Any opinions made may be personal to the author and may not reflect the opinions of PMS.

6.7 The *client* understands that no physical delivery of a CFD's underlying instrument (or reference instrument) that he/ she traded through his/ her *trading account* shall occur.

6.8 The *client* accepts that PMS is the only execution venue, which is a non-regulated market.

6.9 The *client* may trade through his/ her *trading account* from 00.00.01 (GMT+12) on a Monday until 00.00.00 (GMT+12) on a Friday. It should be noted that trading of certain financial instruments occurs during specific timeframes; the *client* is responsible for looking at the contract specifications of such instruments for further details, prior to trading. The *client* shall be notified of any Firm holidays through the internal e-mailing system.

6.10 PMS is entitled to refuse the provision of any investment or ancillary service to the *client*, at any time, without being obliged to inform the *client* of the reasons to do so in order to protect the legitimate interests of both the *client* and the Firm.

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### CLIENT CLASSIFICATION

7.1 The *client* shall be treated as a Retail Client, a Professional Client or an Eligible Counterparty depending on the information that he/ she provided when completing the application form; this information shall determine the *client's* classification by the Firm. Therefore, the *client* is responsible for notifying the Firm if his/ her personal circumstances change.

7.2 If a *client* desires to be re-classified then he/ she needs to send a written request; the Firm shall consider such request at its discretion.

7.3 The *client* classification may be reviewed, at any time, by the Firm at the latter's discretion. The *client* shall be notified in writing by the Firm in relation to the above.

7.4 The *client* is bound by the Client Categorisation Notice. Further details are available online at <https://www.pmsfx.com>.

### CAPACITY

8.1 PMS shall act, at all times, as principal.

8.2 Even if the *client* identifies a legal or natural person ('the Third Party') who is responsible for acting on the *client's* behalf, through a Power of Attorney, the Firm is not accepting the Third Party as a *client*, unless specifically agreed otherwise. As a result, no information shall be disclosed to the Third Party in relation to the *client* and/ or the *client's* trading activity. However, the Third Party may give trading instructions to the Firm on the *client's* behalf.

8.3 The *client* authorizes PMS to rely and/ or act on any instructions sent by the former to the latter, without the need on the Firm's part for confirming the authenticity of the instruction or the identity of the person communicating the instruction.

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### ASSURANCES AND GUARANTEES

9.1 The *client* assures and guarantees that:

9.1.1 The Funds, according to paragraph 10.1 below, belong to the *client* and are free of any lien, charge, pledge or other encumbrance;

9.1.2 The Funds, according to paragraph 10.1 below, are not the no direct or indirect proceeds of any illegal act or omission or product of any criminal activity; and

9.1.3 He/ she acts for his/herself and is not a representative or trustee of a third person, unless he/she produces to the satisfaction of the Firm document(s) to the contrary.

9.2 The *client* guarantees the authenticity and validity of any document sent to PMS during (i) the account opening process and (ii) the life of the *trading account*.

### CLIENT MONEY

10.1 Once received, *client* funds ('the Funds') shall be deposited in an institution ('the Institution') specified by the Firm on the *client's* behalf, segregated from any of the Firm's funds.

10.2 PMS is not obliged to pay interest to the *client* for the Funds deposited.

10.3 PMS may, from time to time, without the *client's* permission merge the Funds held in different *trading accounts*; under no circumstances, does this imply that the *client* has the right to a credit facility.

10.4 The *client* has the right to withdraw, at any time, any part of the Funds equal to the *free margin* that is available in the relevant *trading account* provided that there are *Funds* available. It should be noted that such request may take up to 3 (three) business days in order to be processed. The Firm reserves the right to request additional information and/ or documentation to satisfy itself that the request is legitimate. In addition, PMS reserves the right to reject such a request if it deems that this may not be legitimate. The *client* accepts that under such circumstances there may be a delay in processing the request.



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10.5 The *client* accepts that the Funds shall be deposited in his/ her *trading account* on the *value date* received by the Institution, net of any transfer fees or other charges incurred by PMS that are imposed by the Institution (or intermediary involved in the process) that holds the Funds.

10.6 The *client* accepts that the Funds shall be deposited in his/ her *trading account* only if the Firm is satisfied that the sender of the Funds is the *client* or his/ her authorized *representative*; if PMS is not satisfied as to the above then the Firm has the right to reject the Funds and return them to the remitter net of any transfer fees or other charges incurred by PMS, using the same transfer method as the one through which it originally received the Funds.

10.7 The *client* accepts that withdrawal of any part of the Funds shall be concluded using the same transfer method and the same remitter as the one which the Firm originally received the Funds from; under such circumstances, PMS shall return the part of the Funds requested net of any transfer fees or other charges incurred by PMS.

10.8 PMS reserves the right to decline a withdrawal that the *client* requested using a specific transfer method and has the right to suggest an alternative. 10.9 If, at any time, PMS is not satisfied with the documentation provided by the *client* in relation to the withdrawal/ deposit, the Firm reserves the right to reverse to the remitter any part of the Funds net of any transfer fees or other charges incurred by PMS, using the same transfer method as the one through which it originally received the Funds.

10.9 The *client* accepts that the Institution may reverse any part of the Funds, for any reason; as a result, the Firm shall immediately reverse the respective amount from the *trading account* net of any transfer fees or other charges incurred by PMS, using the same transfer method as the one through which it originally received the Funds. The *client* accepts that this may result to a negative *balance* in the *trading account*; under such circumstances, the Firm may merge the Funds held in different *trading accounts* as described in paragraph 10.3, above.

10.10 The *client* accepts that any requests that relate to the administration of the *trading account* shall be made through PMS Direct.

10.11 PMS shall take all reasonable steps to ensure that the *client* is informed regarding the

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progress of any requests referred to in the 'Client Money' section, specifically in relation to the expected processing time and the need for any, or any further, documentation that if not in place may delay the processing.

10.12 If the *client's trading account* is inactive for a calendar year, PMS reserves the right to charge an account maintenance fee of USD15 (or currency equivalent) in order to maintain the *trading account* open.

10.13 If the *client's trading account* has Funds of less than USD15 (or currency equivalent), PMS reserves the right to close the account, after notifying the *client* accordingly, and charge a relevant fee.

### **CHARGES**

11.1 Prior to trading CFDs the *client* needs to consider any applicable charges such as spreads, commissions and swaps. The *client* is solely responsible for requiring clarifications from the Firm in relation to the above, if necessary.

11.2 The *client* should note that not all charges are represented in monetary terms (for example, charges may appear as a percentage of the value of a CFD); therefore, the *client* needs to ensure that he/ she understands the amount that the percentage amounts to.

11.3 PMS reserves the right to change, from time to time, any of the charges applicable to *clients* when trading financial instruments without prior written notice to the latter; the most up-to-date information shall be found online at <https://www.pmsfx.com>

11.4 The *client* should note that any applicable charges shall be instantly deducted from his/ her *trading account*.

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### Spreads and Commissions

11.5 The applicable spreads and commissions charged when conducting a trade are available online at <https://www.pmsfx.com>.

### Swaps

11.6 The swap is the interest added or deducted for holding an *open position* overnight.

11.7 Depending on the position held and the interest rates of the currency pair involved in a transaction the *client* may either be credited debited with financing; the operation is conducted at 23:59 server time and the resulting amount is automatically converted into the *client's balance currency*.

11.8 From Friday to Monday swap is charged once and from Wednesday to Thursday swap is charged in triple size. It should be noted that PMS charges its own interest; the rollover interest rates of PMS are based on the overnight rate provided by Bloomberg; the Firm updates such rate as often as it deems necessary.

11.9 Further information regarding swaps can be found on <http://www.pmsfx.com>.

### LIABILITY

12.1 PMS shall, at all times, conclude *client's* transactions in good faith.

12.2 PMS bears no responsibility for any acts or omissions concluded by either a natural or legal person that provides the Firm with information in relation to the execution of the *client's* transactions in financial instruments, unless such acts or omissions were the result of negligence or fraud on behalf of PMS.

12.3 PMS bears no responsibility for any loss of opportunity that results in reduction in the value of the *client's* transactions in financial instruments, regardless of the cause of such reduction,

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except to the extent that reduction occurred as a direct consequence of the Firm's deliberate actions or omissions.

12.4 PMS bears no responsibility for any loss incurred as a result of the acts or omissions of the Institution or its employees, including but not limited to instances false or misleading information provided by the *client*.

### **INVESTOR COMPENSATION FUND**

13.1 For details read the Investor Compensation Fund ('ICF') Notice, available online at <https://www.pmsfx.com>.

### **INDEMNITY**

14.1 The *client* shall indemnify, or indemnify on demand, the Firm for any costs incurred under the provision of investment or ancillary services by the latter, including but not limited to (i) the *client's* breach of the Service Agreement or (ii) false or misleading information provided by the *client* to PMS.

### **DURATION OF THE SERVICE AGREEMENT**

15.1 The Service Agreement shall be effective since the day described in the 'Commencement of the Service Agreement' section, for an indefinite time period until its termination or default.

### **AMENDMENTS TO THE SERVICE AGREEMENT**

16.1 PMS reserves the right to amend, from time to time, any part of the Service Agreement, especially if the Firm deems that such amendments are necessary given an announcement by a regulatory authority of a competent jurisdiction. Under such circumstances, the *client* shall be

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notified either in writing or through the Firm's site (<https://www.pmsfx.com>) accordingly and shall reserve the right to accept or deny the amendments; it should be noted that the *client's* consent is not required for any amendment to be effective immediately.

16.2 The *client* reserves the right to terminate the Service Agreement within 15 (fifteen) days from the announcement of an amendment. Upon expiry, even if the *client* is silent, the Firm deems that the former consents to any amendments.

### TERMINATION AND DEFAULT

17.1 The *client* reserves the right to terminate the Service Agreement within 15 (fifteen) business days from the announcement of an amendment under the 'Amendments to the Service Agreement' section above, by sending a notification through registered post to the Firm's Head Office, given that there are no *open positions* traded through the relevant *trading account* and the *client* has no outstanding obligations to PMS.

17.2 The *client* reserves the right to terminate the Service Agreement, for any reason, having provided a 7 (seven) business days written notice by sending a notification through registered post to the Firm's Head Office, given that there are no *open positions* traded through the relevant *trading account* and the *client* has no amounts due for payment to PMS.

17.3 PMS may terminate the Service Agreement by giving the *client* at least 7 (seven) business days written notice, specifying the termination date.

17.4 The *client* accepts that PMS reserves the right to terminate the Service Agreement immediately by providing the former with a written notice, if paragraph 17.5, below, becomes effective.

17.5 PMS shall immediately terminate the Service Agreement, in the event of:

17.5.1 a violation of any part of the Service Agreement on behalf of the *client*;

17.5.2 an issuance of an application, order, resolution or other announcement in relation to



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bankruptcy or winding-up proceedings that involve the *client*,

17.5.3 A *client's* death; and

17.5.4 A *client* involving the Firm in any type of fraud.

17.6 A termination of the Service Agreement shall not imply that any of the *client's* responsibilities cease to exist; the latter shall still be liable to pay to the Firm:

17.6.1 Any amount that is due to PMS;

17.6.2 Any expenses that are incurred by PMS, as a result of the termination of the Service Agreement; and

17.6.3 Any damage that has arisen because of an arrangement or settlement.

17.7 Upon termination of the Service Agreement under paragraph 17.1, above, PMS shall immediately transfer to the *client* any amount available in the relevant *trading account* minus any outstanding amount that is due to Firm by the *client*.

17.8 If paragraph 17.5, above, becomes effective PMS reserves the right to reverse any transactions that are deemed to be contrary to the Firm's or the *clients'* interests.

## **RISK DISCLOSURE**

18.1 For details read Annex A of the Client Agreement.

## **CONFIDENTIALITY AND PERSONAL DATA PROTECTION**

19.1 PMS is registered with the Office of the Commissioner for Personal Data Protection of New Zealand. Therefore, any *client's* personal data is kept by the Firm according to the Processing of Personal Data (Protection of the Individual) Law of 2001, its amendment and the Regulation of Electronic Communications.

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19.2 PMS shall not disclose to a third party, any of the *client's* confidential information unless required to do so by a regulatory authority of a competent jurisdiction; such disclosure shall occur on a 'need-to-know' basis, unless otherwise instructed. Under such circumstances, the Firm shall expressly inform the third party regarding the confidential nature of the information.

19.3 The *client* accepts and consents that PMS may, from time to time, contractually engage companies for statistical purposes in order to improve the Firm's marketing; as a result, some or all of the *client's* personal data may be disclosed on an anonymous and aggregated basis only.

### **RECORDINGS OF TELEPHONE CALLS**

20.1 The content of any telephone call ('the Telephone Record') between the *client* and the Firm may be recorded and saved as a magnetic or electronic record. The *client* agrees that the Firm has the right to use the Telephone Records as it deems necessary, including but not limited to instances when a dispute arises between the *client* and the Firm.

20.2 All instructions received from the *client*, during a telephone call, in relation to trading financial instruments shall be conclusive and binding unless conditions described in paragraph 5.11 of the *Terms and Conditions* are triggered.

20.3 PMS may provide copies of such recordings of telephone calls to a regulatory authority of a competent authority, without informing the *client*.

### **CONFLICTS OF INTEREST**

21.1 The *client* accepts that a conflict of interest may arise when the interest of PMS competes or interferes, or appear to compete or interfere, with the *client's* interests under the Service Agreement.

21.2 Specifically, the *client* accepts that:

21.2.1 PMS may assign or transfer the execution of the *client's* instruction to another member

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company of the PMS Group of Companies;

21.2.2 the Firm may execute at the same time instructions by different *clients* that are opposite to one another;

21.2.3 the Firm may establish business, including but not limited to trading relationships, with other issuers of financial instruments and the Firm may have a financial interest in such instruments;

21.2.4 PMS acts as a *market maker* and in this context there may be inherent conflicts of interest; and

21.2.5 the Firm may pay commission -or any other related fee- to a third party as a result of either (i) introducing the *client* or (ii) the *client's* trading activity (under such circumstances the *client* shall be notified in writing).

21.3 For further details, please read the PMS Conflicts of Interest Policy; available online at <https://www.pmsfx.com>

### **DIRECT CONTACT CONSENT**

22.1 The *client* consents that any communication received by PMS, from time to time, in relation to the Service Agreement -or any other communication in relation to marketing- does not breach any of the *client's* rights under the Service Agreement.

### **REPRESENTATIONS AND WARRANTIES**

23.1 The *client* represents that he/ she has not been coerced or otherwise persuaded to enter into the Service Agreement.

23.2 The *client* declares that he/ she is over 18 (eighteen) years of age (in case the *client* is a natural person) or has full capacity (in case the *Client* is a legal person); therefore, the *client* may



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enter into the Service Agreement.

23.3 The *client* accepts that PMS reserves the right to revoke at any time, without prior written notice, any Power of Attorney documents that govern the relationship of the *client* with his/ her *authorized representative*.

23.4 The *client* declares that he/ she is fully aware of any implications, including but not limited to any restrictions, set by his/ her local jurisdiction in relation to entering the Service Agreement.

23.5 The *client* declares that any trading in financial instruments is proportional and/ or reasonable to his/ her specific financial situation and that independent financial advice has been sought, or will be if necessary.

23.6 The *client* accepts that the trading of any transactions in financial instruments shall occur only through the PMS trading platforms(s) available at any given time to the *client*.

23.7 The *client* accepts the contract specifications for each financial instrument as such specifications, available online at <https://www.pmsfx.com> In addition, the *client* accepts that the Firm reserves the right to change the contract specifications without giving him/ her prior written notice.

23.8 If *client* is more than one natural or legal persons, the *client's* obligations and liability under the Service Agreement shall be joined and several; under the above mentioned circumstances any communication, including but not limited to a notice and order, shall be construed as delivered to all natural or legal persons that together form the *client*.

23.9 The *client* accepts that the Firm shall take all reasonable steps to ensure compliance with applicable rules and regulations; such reasonable steps shall be binding upon the *client*.

23.10 The *client* accepts the fact that PMS shall have a lien on any amount that is deposited in his/her *trading account* that is due for payment by the former to the latter. Although the Firm does not need the *client's* consent in order to exercise the lien the former shall notify the latter of its intention, accordingly.

23.11 The *client* represents that if an amount is due for payment to PMS, the later shall be

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entitled to debit the *client's trading account*, accordingly.

23.12 The *client* consents that if his/ her *trading account* is inactive for three months and its *balance* is less than USD15 (fifteen), or currency equivalent, then PMS may at its discretion disable the *trading account*. The *client* may enable his/ her *trading account*, at any time; the status of a *trading account* can be viewed through PMS Direct (<https://www.pmsfx.com>).

### FORCE MAJEURE EVENT

24.1 PMS shall, in its reasonable opinion, determine that a force majeure event occurred; under such circumstances the Firm shall take all reasonable steps in order to inform the *client*.

24.2 A force majeure event is as an event or circumstance, including but not limited to any natural, technological, political, governmental, social, economical or similar event or circumstance that occurred after a transaction in a financial instrument occurred and such event or circumstance has not been anticipated at the date of entering into the transaction. In addition to the above, a force majeure event may include instances of illegitimate actions against the PMS servers that may be outside the control of with the *client* or PMS.

24.3 If PMS determines that a force majeure event occurred, without prejudice to any other rights of the *client* under the Service Agreement, the Firm may:

24.3.1 Increase *margin* requirements; and/ or

24.3.2 Increase spreads; and/ or

24.3.3 Decrease leverage; and/ or

24.3.4 close-out, in good faith, any *open positions* at a price that the Firm considers reasonable; and/ or

24.3.5 Request amendments to any *closed positions*; and/ or

24.3.6 Suspend the provision of investment and/ or ancillary services to the *client*; and/ or

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24.3.7 Amend any of the content of the Service Agreement on the basis that it is impossible for PMS to comply with it.

### **GOVERNING LAW AND JURISDICTION**

25.1 The *client* accepts that the Service Agreement and any investment and/ or ancillary services provided under it by the Firm shall be governed by the law of the New Zealand.

25.2 Any proceedings and their settlement that may involve PMS and the *client* shall take place in the competent courts of New Zealand.

### **MISCELLANEOUS**

26.1 Unless specifically instructed otherwise any notice, instruction, request or other communication shall be given by the *client* to the Firm in writing and shall be sent to PMS's Head Office address, which appears on the 'Contact Us' page (<http://www.pmsfx.com/contacts>). Any notice, instruction, request or other communication shall be effective when received by the Firm.

26.2 The *client* shall not, under no circumstance, assign or transfer any of his/ her rights and/ or obligations under the Service Agreement to another natural or legal person.

26.3 The *Firm* may, under certain circumstance, assign or transfer any of its rights and/ or obligations under the Service Agreement to another natural or legal person, in whole or in part provided that such natural or legal person agrees to abide by the Service Agreement.

26.4 If, for any reason, a part of the Service Agreement is deemed to be unenforceable by a court of a competent jurisdiction then such part shall be severed from the Service Agreement therefore the remainder of the Service Agreement shall remain unaffected.

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### IMPORTANT INFORMATION

27.1 CFDs are not eligible for sale in certain jurisdictions or countries. The Notice is not directed to any jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations, including the United States of America. The Notice does not constitute an offer, invitation or solicitation to buy or sell CFDs. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. The Notice is not intended to constitute the sole basis for the evaluation of the *client's* decision to trade in CFDs

### FAQs

28.1 Questions regarding the Terms and Conditions should be addressed, in the first instance, to the Customer Support Department.

28.2 Customer Support Department

Email: [support@pmsfx.com](mailto:support@pmsfx.com)

### ANNEXES

#### Annex A: Risk Disclosure Notice

RISK WARNING: Contracts for Difference ('CFDs') are complex financial products, which have no set maturity date. Therefore, a CFD position matures on the date a *client* chooses to close an existing *open position*. CFDs, which are leveraged products, incur a high level of risk and can result in the loss of all of the *client's* invested capital. Interest is not guaranteed. As a result, CFDs may not be suitable for all individuals. The *client* should not risk more than he/ she is prepared to lose. Before deciding to trade, the *client* shall ensure that he/ she understands the risks involved and take into account his/ her level of experience. The *client* may seek independent advice, if necessary.

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### **SCOPE OF THE NOTICE**

1.1 The Risk Disclosure Notice ('the Notice') is provided to the *client* in accordance with FSC on the basis that you are proposing to trade with PMS in contracts for difference ('CFDs') which are leveraged products, incur a high level of risk and can result in the loss of all your invested capital.

1.2 It should be noted that the Notice does not contain all the risks and aspects involved in trading CFDs; therefore, the *client* needs to ensure that his/ her decision is made on an informed basis taking into consideration the following:

### **PRODUCT DESCRIPTION**

2.1 A CFD is an agreement to either buy or sell a contract that reflects the performance of, including amongst others, forex, precious metals, futures and shares; the profit or loss of is determined by the difference between the price a CFD is bought at and the price is sold at and vice versa. CFDs are traded on *margin* and it should be noted that no physical delivery of either the CFD or underlying asset is occurring. It should be noted that when *clients* purchase, for example, CFDs on shares they are merely speculating on the share's value to either increase or decrease.

2.2 CFDs fluctuate in value during the day; the price movements of CFDs are determined by a number of factors including but not limited to speculation and availability of market information.

### **PERFORMANCE**

3.1 It should be noted that past performance of CFDs is not a useful indicator of future performance.



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### **MAIN RISKS ASSOCIATED WITH TRANSACTIONS IN CFDs**

4.1 Prior to trading CFDs, the *client* needs to ensure that he/ she understands the risks involved. CFDs are leveraged products; therefore, they carry a higher level of risk to the *client's* capital compared to other financial products. The value of CFDs may increase or decrease depending on market conditions.

4.2 Due to the fact that CFDs are leveraged products, engaging in CFD trading may not be suitable for the *client* and independent advice should be sought if necessary. The potential for profit must be balanced alongside prudent risk management given the significant losses that may be generated over a very short period of time when trading CFDs.

4.3 The *client* should not commence trading in CFDs unless he/ she understand the risks involved.

### **CAPITAL LOSS**

5.1 CFDs, which are leveraged products, incur a high level of risk and can result in the loss of all of the *client's* invested capital. However, it should be noted that PMS operates on a 'negative balance protection' basis; this means that the *client* cannot lose more than his/ her initial investment.

### **CREDIT RISK**

6.1 When trading CFDs, the *client* is effectively entering into an over-the-counter ('OTC') transaction; this implies that any position opened with PMS cannot be closed with any other entity. OTC transactions may involve greater risk compared to transactions occurring on regulated markets, for example traditional exchanges; this is due to the fact that in OTC transactions there is no central counterparty and either party to the transaction bears certain credit risk (or risk of default).

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### LEVERAGE (OR GEARING)

7.1 CFD trading, unlike traditional trading, enables the *client* to trade the markets by paying only a small fraction of the total trade value. However, it should be noted that leverage, or gearing as it is often referred to, means that a relatively small market movement may lead to a proportionately much larger movement in the value of the *client's* position. PMS offers flexible leverage starting from 1:1 up to 1:400. Nonetheless, it should be noted that leverage on gold and silver is fixed at 1:100. During any other time period specified by PMS, the Firm sets a maximum leverage rate for opening a position of 1:100; if the latter occurs the *client* shall be informed accordingly.

7.2 It should be noted that the Firm shall monitor the leverage applied to *client's* positions, at all times; the Firm reserves the right to decrease the leverage depending on the client's trade volume.

7.3 For further details refer to <https://www.pmsfx.com>.

### MARGIN ACCOUNT AND REQUIREMENTS

8.1 The *client* needs to ensure that he/ she has sufficient *margin* on his/ her *trading account*, at all times, in order to maintain an *open position*. In addition, the *client* needs to continuously monitor any *open positions* in order to avoid positions being closed due to the unavailability of funds; it should be noted that the Firm is not responsible for notifying the *client* for any such instances.

8.2 At *margin levels* of 50% (fifty) for PMS MetaTrade4 respectively, the Firm has the discretion to begin closing positions starting from the most unprofitable one. In addition, at *margin levels* of 50% (fifty) for PMS MetaTrade4 respectively, the Firm shall automatically begin closing positions at market price, starting from the most unprofitable one.

8.3 Further details regarding the above are available online at <https://www.pmsfx.com>.

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### **ABNORMAL MARKET CONDITIONS**

9.1 Under abnormal market conditions, CFDs may fluctuate rapidly to reflect unforeseeable events that cannot be controlled either by the Firm or the *client*. As a result, PMS may be unable to execute the *client's* instructions at the declared price and a 'stop loss' instruction cannot guarantee to limit the latter's loss.

9.2 CFD prices are influenced by, amongst other things, implementation of governmental, agricultural, commercial and trade programs and policies and national and international socioeconomic and political events.

### **TRADING PLATFORM CONDITIONS**

10.1 The *client* accepts that the only reliable source of price related information is the Quotes represented on the real/ live server; this service may be disrupted and as a result price related information may not reach the *client*.

10.3 The *client* shall regularly consult the 'Help' menu or User Guide of the trading platform(s); if a conflict arises the Service Agreement shall prevail unless PMS determines, in its sole discretion, otherwise.

### **COMMUNICATION**

11.1 PMS bears no responsibility for any loss that arises as a result of delayed or unreceived communication sent to the *client* by the Firm.

11.2 In addition, PMS bears no responsibility for any loss that arises as a result of unencrypted information sent to the *client* by the Firm that has been accessed via unauthorized means.

11.3 PMS bears no responsibility for any unreceived or unread internal messages sent to the *client* through the trading platform(s); in case a message is not received or read within 7 (seven) calendar days the message gets automatically deleted.

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11.4 The *client* is solely responsible for the privacy of any information contained within the communication received by PMS.

11.5 Moreover, the *client* accepts that any loss that arises as a result of unauthorized access of a third party to the *client's trading account* is not the responsibility of PMS.

### **FORCE MAJEURE EVENT**

12.1 In case of a Force Majeure Event the *client* shall accept any loss arising.

12.2 Further details read the 'Force Majeure Event' section, above.

### **TAXATION**

13.1 Although investing in CFDs does not involve taking physical delivery of the underlying financial instrument independent tax advice should be sought, if necessary, to establish whether the *client* is subject to any tax, including stamp duty.

### **ACCOUNT REVIEW**

14.1 Through the trading platform(s), the *client* may review any of his/ her *trading accounts*, including but not limited to open and *closed positions*. In addition, through PMS Direct (<https://www.pmsfx.com>) the *client* may safely manage his/ her account and deposit or withdraw money depending on his/ her trading needs.

### **TECHNICAL ISSUES**

15.1 PMS bears no responsibility for any loss that arises as a result of a system failure, including but not limited to:



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15.1.1 hardware or software failure, malfunction or misuse either on the *client's* side or the Firm's or both;

15.1.2 poor internet connection either on the *client's* side or the Firm's or both;

15.1.3 Incorrect settings in the client terminal; and

15.1.4 Delayed updates of the client terminal.

15.2 The *client* accepts that at times of excessive transaction flow there might be some delay in contacting, over the telephone, a member of the Dealing Department, especially when there are important market announcements.