



Wise choice to trade

## **GENERAL TERMS AND CONDITIONS FOR MANAGED ACCOUNTS**

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## **1. DEFINITIONS AND INTERPRETATION**

1.1. The “Company” refers to FX Choice Limited - an investment company operating as a global broker. The Company is incorporated (Certificate of Incorporation No. 105,968) in Belize City, Belize through the Registrar of International Business Companies;

1.2. The “Client” is an individual or legal entity who holds a trading account with the Company for conducting transactions of financial instruments;

1.3. A “Financial Instrument” refers to Spot Forex pairs and CFD’s;

1.4. The “Investor” is a Client of the Company who holds a Sub-Account and has passed the Company’s registration procedure as an Investor. The Investor is considered a participant of the master MAM account held by The Manager;

1.5. A “Sub-Account” is a trading account held by an Investor for investment purposes and is a part of the master MAM account held by The Manager. The Sub-Account permits the funds of this account to be managed by The Manager according to this Agreement;

1.6. The “Manager” is a Client of the Company, who conducts Trading Activity with an Investors’ funds according to this Agreement and has passed the Company’s registration procedure as Manager. The Manager is considered the holder of the master MAM account;

1.7. “Trading Activity” is the Manager’s trading operations on global financial markets, according to this Agreement, with the Investors’ funds deposited into the Investors’ Sub-Accounts, to which The Manager has access through the master MAM account;

1.8. The “Master MAM Account” is the Manager’s account. It includes a certain number of Investors’ Sub-Accounts and is used for conducting transactions of financial instruments on the Investors’ behalf;

1.9. The “Funds of the Investor” is the Investor's own funds deposited into the Sub-Accounts;

1.10. The “Investment period” is the period of time which is a period of time expressed in weeks, during which the Manager provides conducts Trading Activity according this Agreement, and at the end of which there are calculations and distributions of profits and remuneration/incentive fees between the Manager and Investors;

1.11. The “Profit of the Manager” is based on high watermark;

1.12. The “Participants of the master MAM account” are the Manager and the Investors;

1.13. The “Profit of the Investor” is the Investor’s total profit deducted the Manager's incentive fee/ remuneration and any penalties or applicable expenses (if any);

1.14. The “Manager’s incentive fee/remuneration” is determined as a percentage of profits and shall be transferred to the Manager automatically and over the weekend following the end of the investment period;

1.15. The “Termination of the master MAM account” refers to the closing of an existing master MAM account on the initiative of the Manager or the Company.

1.16. The “Termination of the Sub-Account” is the closing of an existing Sub-Account on the initiative of the Investor or the Company.

1.17. The “Agreement” is the present agreement.

## **2. SUBJECT OF THE AGREEMENT**

2.1. The current Agreement regulates the rights and obligations of the participants in the master MAM account.

2.2. Relations between the Clients (Managers and Investors) and the Company regarding the use of the master MAM account are regulated by: this Agreement; the Client Agreement of the Company, including any annexes and amendments thereto, as well as other rules, specifications and regulations established by the Company.

2.3. Information on the Company and the services it provides is available on the Company’s website ([www.myfxchoice.com](http://www.myfxchoice.com)). The Clients declare that before entering into this Agreement that they have reviewed and accepted the said information, including this Agreement, the Client Agreement of the Company, including any annexes and amendments thereto, as well as other rules, specifications and regulations established by the Company.

2.4. The Company provides the Clients with the right to use the Company’s master MAM account for conducting automated transactions.

2.5. With regards to the master MAM account, which includes the Sub-Accounts of Investors, the Company provides: 1) Managers with the ability to manage Investors’ funds deposited to their Sub-Accounts; 2) Investors with the ability to allow their invested funds to be managed by the Manager.

2.6 The profits and losses resulting from the Trading Activities of the Manager are proportionate to the amounts invested in each particular Sub-Account and are automatically applied to the investors’ Sub-Accounts.

2.7. The Manager shall be considered an agent of the Investors regarding their invested funds. The Manager is considered as legally authorised to represent the Investor regarding any, and all, present and future dealings with the Company, in particular with respect to all funds deposited into the Investors’ Sub-Accounts with the Company, and to give orders to the Company to buy, sell and trade all financial instruments offered by the Company.

2.8. The Trading Activity on the master MAM account shall be carried out by the Manager. The right to deposit and withdraw Investor’s funds belongs exclusively to the Investor. The Company shall not influence the management of the Sub-Accounts in any way but shall only follow the instructions given by the Manager.

2.9. The Investor could be any existing and potential client of the Company. The number of investors, per master MAM account, is not limited. Each Investor has to register on the

Company's website as an Investor and must apply for a Sub-Account. The Investor can hold an ordinary trading account with the Company too, which is not part of the master MAM account.

### **3. INVESTMENT**

3.1. Each Manager sets the investment period, fee/incentive fee and currency for the Trading Activity they offers. The Manager's incentive fee is determined as a percentage of the Profit of the Investor.

3.2. The Investment period (the duration of the investment) is the period of time during which the Manager conducts trading activity with the Investors' funds from their Sub-Accounts.

3.3. The duration of the investment period is always expressed in weeks. While the length of an investment period is not limited, the shortest investment period cannot be shorter than a week.

3.4. The Investment period for all participants of the master MAM account begins at 00:00:00 GMT +2 on Monday and ends at 23:59:59 GMT +2 on the last Friday of the Investment period. During Daylight Saving Time it begins at 00:00:00 GMT +3 on Monday and ends at 23:59:59 GMT +3 on last Friday of the Investment period. The end of one Investment period means the automatic start of the next Investment period.

3.5. In the event of an unscheduled withdrawal of all of the invested funds, or the termination of the current master MAM account, the Investment period shall be considered as terminated.

3.6. Changing the investment periods shall not be considered as an obligation of the Manager to close any trading positions.

3.7. The Manager may add their own funds to a Sub-Account held by them.

### **4. DEPOSITS AND WITHDRAWALS**

4.1. Depositing funds to the Sub-Account can be done by Investors through an internal transfer of funds from any other trading account held by an investor and within one user profile, or by any supported and available payment method at the client's disposal.

4.2. If the master MAM account and the Sub-Account's currencies are different from the trading account, or from the transferred amount, the currency conversion shall be done at the Company's applicable rate or the Company's bank/payment provider's applicable rate.

4.3. Withdrawal from the Sub-Account shall be done by the Investor according to the Client agreement.

4.4. The master MAM account can be liquidated by the Manager and a Client can choose to entirely leave the account at any time. If either of these two occur, all profits and losses will be realised. It is also possible for a Client to partially withdraw funds. If this occurs, then nothing will happen and the account will continue as normal (see clause 4.5).

4.5. Scheduled withdrawals of funds from the Sub-Accounts shall be taken no earlier than the end of the current investment period. Otherwise, the funds in the Sub-Accounts will be automatically reinvested for the following investment period.

4.6. In the event of an unscheduled withdrawal by the Investor – invested funds, profits and the Manager's incentive fee shall be transferred automatically and respectively to the accounts of the relevant participants.

4.7. Requests for unscheduled withdrawals of all funds from the Sub-Account can be made around-the-clock, every day of the week.

4.8. Each Investor may cancel their request to withdraw funds at any time up to the moment of its execution.

4.9. If a withdrawal is made, and the receiving account currency is different from the Sub-Account currency, the conversion of these funds will be carried out at the Company's rate or at the Company's bank/payment provider's applicable rate.

4.10. The Request for withdrawal of funds from the Sub-Account might be rejected by the Company if:

- a) The Sub-Account has insufficient funds to implement the withdrawal;
- b) The Company needs additional information from the Client.

## **5. SHARES IN THE MASTER MAM ACCOUNT**

5.1. The Investor's share of the master MAM account is a percentage and is calculated as the ratio between the invested funds of the Investor and the total amount of funds in the master MAM account at the time of calculation.

5.2. Any balance operation (*i.e.* deposits and withdrawals) on the Sub-Account leads to the automatic recalculation of the shares of all members of the master MAM account.

## **6. CALCULATION AND TRANSFER OF PROFITS AND INCENTIVE FEE**

6.1. The profit calculation from the master MAM account's operations shall be done automatically and in real-time

6.2. There are two types of profit:

- a) The total profit of the master MAM account;
- b) Profit of certain participant of the MAM.

6.3 The calculation of the Manager's incentive fee is based on the high watermark principle. What this means is that clients are only charged that fee, if there is a positive difference between the equity of the previous investment period and the current one.

6.4. The parties, including the Investors and the Manager, agree that when incentive fee to the Manager is due, the Company has the right to unilaterally withdraw funds from the Client's Sub-Account to pay/transfer the calculated incentive fee to the Manager.

6.5. The Company shall not be obliged to determine the accuracy, or appropriateness, of the Manager's incentive fee.

6.6. The Investors and the Manager agree that the Company shall not be required to pay any funds, including the Manager's incentive fee if there are not sufficient funds in the Investor's Sub-Account.

6.7. Managers may charge additional fees which are reflected in the master MAM account's trading environment (wider spreads for classic accounts, increased fees for ECN accounts).

## **7. TERMINATION OF THE MASTER MAM ACCOUNT AND SUB-ACCOUNT**

7.1. Termination of the Sub-Account can be initiated by:

- a) The Investor who holds the Sub-Account;
- b) The Company.

7.2. To terminate the Sub-Account, the Investor needs to submit a full withdrawal request.

7.3. After receiving the withdrawal request, the Company:

- a) Will prevent further fund deposits to the Sub-Account;
- b) Will calculate and transfer the funds to the Investor, deducted fees, incentive fee and penalties (if any).

7.4. The Company has the right to terminate the Sub-Account at any time without any explanation if there has been no activity on the Sub-Account for more than 90 calendar days.

7.5. Termination of the master MAM account can be initiated by:

- a) The Manager;
- b) The Company.

7.6. For termination of the master MAM account on the Manager's initiative, the Manager needs to apply and at the time of application there should be no open positions or pending orders, otherwise the termination is impossible to execute.

7.7. After receiving the application, the Company:

- a) Will cease executing the Manager's trades;
- b) Will prohibit the deposit of further funds to Sub-Accounts;
- c) Will inform all participants of the termination;
- d) Will calculate the funds respectively for the relevant participants of the master MAM account.

7.8. The Company has the right to terminate the master MAM account at any time without any explanation if:

- a) The amount of the total profits of the master MAM account is below -95% the master MAM account balance for two consecutive and contiguous computation periods;
- b) There is no activity on the master MAM account for more than 90 calendar days.

7.9. For the final termination of the master MAM account, the Company:

- a) Closes all open trading positions at the current market price (or last price for a CFD);
- b) Cancels all pending orders;
- c) Blocks any further trading;
- d) Blocks any further fund deposits;
- e) Performs the calculations and transfers the funds to the participants;
- f) Notifies the participants of the termination of the master MAM account.

## **8. DECLARATIONS AND GUARANTEES OF THE COMPANY AND PARTICIPANTS**

8.1. The Manager and the Investors declare and guarantee that:

- a) When registering as a Client of the Company, they have provided reliable information, as well as fulfilled the requirements stipulated below;
- b) They have read the text of this Agreement, understand its meaning and significance, and have also read and understood the Company's Client Agreement and all other regulatory documents of the Company;
- c) They have fully understood and accepted the consequences of their actions in relation to the implementation of this Agreement;
- d) They have passed the registration procedure as the Manager or Investor.

8.2. The Manager declares and ensures that:

- a) They have the practical experience of trading in the foreign exchange market (FOREX) and contracts for difference (CFD);
- b) They fully understand the significance of their actions as Manager, they are fully aware of the legal implications of their actions in capacity of a money manager;
- c) At their own risk they are solely, only and directly, responsible and liable to Investors for the performance of any trading operations under this Agreement;
- d) On their own name and at their own expense, the Manager will solve all disputes and claims of third parties in connection with their activities as Manager in accordance with this Agreement.

8.3. The Manager and the Investors declare and agree that the Company is not and shall be not responsible for any damages or losses or lost profits accrued according this Agreement; according the Manager's or/and the Investor's activities according the Management under this Agreement.

8.4. In case of violation of any aspect of the declaration and the guarantees stated above, the Manager agrees, at their own expense, to settle and resolve all disputes and to settle all claims arising in connection with their trading activities as Manager.

8.5. The Manager and the Investors, in their relations with third parties, shall:

- a) Not undertake or accept any obligation on behalf of the Company or put the Company under any obligation;
- b) Not use the Company name, domain and/or its symbols or trademarks;
- c) Not publish, without prior written consent, or seek publication in the press (including, but not limited to, online publications, forum publications, and opinions) of any information concerning the master MAM account;
- d) Not give any guarantees and/or promises, make any statements and/or assurances on behalf of the Company in respect to this Agreement, nor make any payments, including the use of a trade name, domain, symbols or trademarks of the Company;

- e) Not perform any other actions that may cause the Company damages or losses, or result in the presentation of the Company of any legal proceedings or claims by third parties.

8.6. In case of an obligation default by a Manager or Investor on the declarations and guarantees from above, the parties agree that the Company will forward any claims or lawsuits to the relevant participant and the Manager undertakes to fully reimburse all costs and expenses incurred by the Company.

8.7. The Company declares, and the participants agree, that:

- a) The Company will only provide the needed trading platform and information resources;
- b) The Company is not an investment advisor and does not give any recommendations and advice in relation to this Agreement;
- c) The analytical materials published on the website of the Company, or Company employee statements, should not be classified as management or investment advice, including investment recommendations of any kind;
- d) The Company will open Sub-Accounts and provide a master MAM account within the terms and conditions prescribed on the Company's website;
- e) The Company may control (but can't be obliged to control) the calculation between Investors and Managers.

8.8. Any positive or negative consequences of the execution of this agreement shall impact only the Manager and/or Investor, and shall be considered as formed by the activities of the Manager. The Company only makes the MAM infrastructure (*i.e.*, master MAM account and Sub-Accounts) available to the Manager and the Investor. The Company does not accept any responsibility and liability for the actions of the Manager, nor for the actions of the Investors.

8.9. The Manager shall execute their duties in relation to this Agreement and shall act and manage only on their behalf and responsibility.

8.10. The Company does not assess the professional skills of the Manager, their business and ethical qualities, and does not bear any responsibility to the Investor for losses or lost profits and damages of any kind.

8.11. The Company does not guarantee profit, either to the Manager or to the Investor, and as a result warns that any positive statistics of trading strategy from the past do not guarantee commercial success in the future.

8.12. The Investors and Managers agree with any possible financial losses in the form of direct losses or lost profits or any other material and/or non-material and moral damages, as a result of the following risks:

- a) Lack of management skills and knowledge;
- b) Intentional and/or unintentional non-compliance between the interests of Investors and the Manager, or fraud in relation to the management of Investors' funds;
- c) Loss of control over Sub-Accounts by the Manager, and the risk of third party access to the control of the Sub-Account as result of intentional and/or unintentional actions by the Manager and/or the Investors;
- d) Unexpected delays in the transfer of funds between accounts, including the execution of applications or deposit/withdrawals of funds, as well as the risk of *force majeure*



circumstances, arising without any fault of the Company or caused by circumstances beyond the control of the Company;

- e) Termination of the master MAM account;
- f) Transition to the new investment period as a result of a late application for the planned withdrawal for technical, or other, reasons, beyond the control of the Company.

8.13. Under no circumstances is the Company responsible for the occurrence of the above mentioned, or other, risks and their consequences for the Investors in the master MAM account.

8.14. The registration of a Client, as Manager or Investor, does not change the status of the Client as the Company's Client. The Client Agreement of the company, as well as any other company documents which are applicable to the Client, shall bind the Manager or Investor.

## **9. CONFIDENTIALITY**

9.1. The terms of the present Agreement and additional agreements (minutes etc.) hereto shall be considered confidential and should not be disclosed.

9.2. The parties shall undertake to provide the compliance with strict confidentiality of information which became known to them, or their employees, due to the fulfillment of the terms of this Agreement or additional agreements hereto, which includes information on clients.

9.3. The confidential information may be disclosed only in cases stipulated by any effective legislation that directly regulates/affects any organ of the Company.

9.4. The terms of this Agreement, the Agreement as such and the relation between the parties in this Agreement, will be considered as confidential even after the termination or cessation of the Agreement or termination of the master MAM account.

## **10. SETTLEMENT OF DISPUTES**

10.1. All disputes and discrepancies arising between the parties on matters not covered by the present Agreement shall be settled via negotiations.

10.2. If the disputes are failed to be settled via negotiations, such disputes shall be settled in the manner established by the legislation of Belize or other effective legislation of the country determined by the Company, depending on the nature of the disputed situation.

## **11. ALTERATION AND TERMINATION OF THE AGREEMENT**

11.1. The present Agreement shall become effective upon the acceptance by the Manager and Investors and shall remain in force for an indefinite period of time.

11.2. Acceptance of the Agreement is an integral part of the Client's registration as the Manager or Investor. **The Agreement shall be considered as accepted by the Manager or Investor by completing the registration process as Manager or Investor.**

11.3. Upon acceptance of this Agreement, and annexes hereto (if any), in any manner, the parties shall not be entitled to claim lack of knowledge or lack of understanding of the terms and

conditions hereof, annexes hereto, and other rules, regulations and schedules established by the Company.

11.4. The present Agreement may be terminated by either party on their own accord, if such a party makes a relevant statement hereof in writing 15 calendar days before the termination of the Agreement.

11.5. The present Agreement may be terminated unilaterally at the initiative of the Company if the participants violate their obligations specified in the present Agreement.

11.6. After the time of termination of the present Agreement, it shall continue to be valid with regards to obligations which had occurred before its termination for confidential and at no liability to the Company.

11.7. If any provision, point or article of this Agreement, is recognised for any reason void or unenforceable, then such invalidity shall not affect the validity and enforceability of any other provision of this Agreement. In this case, this Agreement shall apply in full, except for the part which is deemed to be void.

11.8. Herewith the parties confirm that they are fully aware of and know for a fact the role the Company plays, in respect to which the present Agreement is concluded, legal aspects of the Agreement and possible risks arising out in connection with this condition.

11.9. Information, as well as any and all rights and rights to any information acquired by the parties by fulfilling the present Agreement, shall be considered an asset of the Company. The parties shall not be entitled to use the above-mentioned information and rights (which includes information on the Clients) for their own purposes and in the interest of any third parties without the Company's permission.

11.10. Risk of accidental loss of the Company's assets regarding this agreement shall be borne by the Manager.