

BDS MARKETS

PAMM Account Agreement **BDS Markets**

PAMM Manager Account Agreement

This is a legal contract between "BDS Markets", (hereinafter referred to as “the Company”) organized under the laws of the Republic of Mauritius, its successors and assigns, and the party (or parties) executing this document.

1. PAMM Account Terms	3
2. PAMM Accounts	5
3. Manager Account Registration	5
4. Manager’s Strategy Offer	6
5. PAMM Account Parameters	8
6. Investor Account Participation... ..	9
7. Rollover	11
8. Deposits	12
9. Withdrawals	13
10. Trading Period	15
11. Penalty Fees	15
12. Rescue Level	16
13. PAMM and Managed Accounts Calculations	16
14. Manager's Obligations	17

BDS MARKETS

1. PAMM Account Terms

1.1. The PAMM account Terms, jointly with the Company's Terms and Conditions include all the provisions and conditions provided to the Client by the Company for the use of PAMM accounts. Reading and understanding all of the above documents is a mandatory requirement in order to access the PAMM service. The client's registration as a Manager or an Investor will be considered by the Company as an official confirmation that all documents were read, understood and accepted.

1.2. All transactions performed by the Manager on PAMM accounts are subject to the Terms and Conditions of the Company's Terms and Conditions.

1.3. The Company's PAMM account program is not an asset management tool for Investors. This service provides the opportunity for the Investors to follow the trading strategies of the Manager, who manages a PAMM account, with a joint capital of both the Investor's and the Managers. The investor, voluntarily, at their own risk, selects the Manager pursuant to a Public Strategy Offer. All decisions of acceptance or rejection of the Offer are a personal matter of each potential investor and are received without any recommendation or solicitation by the Company.

1.4. The Company has no right to disclose any personal information about the managers, as any registered Managed PAMM account is a personal account of the Company's customer and therefore its owner's details are privileged information, which cannot be disclosed to third parties. Based on this, any claims and/or requests that may be brought against the Company on behalf of investors relating to the legal and professional competence level of managers will be rejected outright.

1.5. An Investor accepting the Manager Offer confirms that he/she understands and accepts the nature of inherent risks to the transactions in the OTC foreign exchange market. The Company therefore states to the investor that it does not and will not guarantee the recurrence of rates of return that have been made by the Manager in the past.

1.6. All trading on the PAMM accounts can only be performed by the Manager on the basis of such terms. The Company will reject all claims of the Investor(s) that the manager failed to comply with their recommendations.

1.7. All transfers of funds between the investor's personal accounts and PAMM trading accounts are carried out only on the basis of requests from Investors or persons authorized to do so by the investor and acting under the power of attorney. The manager cannot influence the decision making for the inflow or outflow of investor funds or prevent them from being executed by the Investor.

1.8. The Investor has no right to bring a claim against the Company's trading operations conducted in the PAMM account.

1.9. The Company reserves the right to terminate the provision of the PAMM service to any manager at any time upon its sole discretion. The company may reject any request of

BDS MARKETS

Managers or Investors and not provide the motives or reasons for such a decision. Such a decision, in relation to any Manager, cannot be used by Customers as a fact which can harm the Company, its employees or owners, in the media.

1.10. All records of trading transactions carried out in the Managed Accounts will be placed in the Client Portal according to the corresponding PAMM accounts.

2. PAMM Accounts

2.1. PAMM accounts are designed to allow the application of strategies as set by the Manager, who manages his/her own capital in trading in the Forex and Financial markets, in relation to the Investor's capital (or part of the capital). The manager performs trades on PAMM accounts, which consist of that Manager's funds and the Investor's capital.

2.2. The manager has the ability to:

- a.** Carry out trading transactions on PAMM accounts on the instruments offered by the Company.
- b.** Establish the Manager Strategy Offer.
- c.** Determine the Penalty Fee – this is the fee charged for Investor(s) withdrawing before the Trading Period is over.
- d.** Determine the Manager Account Type.
- e.** Obtain information about Investors Balances.
- f.** Withdraw

- 1.** the up to minimum amount of funds from his/her Manager Capital Account, if there are any Investor's funds on the relevant PAMM account.
- 2.** all the funds from his/her Manager Capital Account, if the relevant PAMM account consists only of Manager's own funds.
- 3.** his/her profits, if available.

2.3. The Manager has no right or possibility to request the deposit or withdrawal of funds to or from the Investor Accounts.

2.4. All PAMM account calculations, deposit and withdrawal of funds, crediting and debiting of success fees and penalties are performed by the Company.

3. Manager Account Registration

31. A client who wants to register as a manager is required to fill out a PAMM account opening form. The Company considers the act of filling and submitting this form along with the acceptance of this Agreement as an unconditional acceptance of the terms on this form.

32. The necessary conditions for registration of a Manager PAMM Account are the

BDS MARKETS

following:

- a. Opening and verifying a client profile.
- b. Opening a PAMM Manager account:
 - Specification of Strategy Name
 - Specification of Minimum Deposit
 - Specification of Performance Fee
 - Specification of Penalty Fee
 - Specification of Trading Period
 - Trading Style Description
 - Trading History
 - Trading Experience
 - CV/Resume Upload
 - PAMM Account type selection

Failure to satisfy one or more of the above requirements will result in the rejection of the registration application.

33. A Manager needs to invest an amount, which is equal or higher than the Minimum Deposit Amount. This amount will be reflected in the Manager's Capital Account. This account is taken automatically for the Manager upon successful registration of the PAMM Manager Strategy Account.

34. A PAMM Manager can generate a further deposit into his own Manager Capital Account via the Client portal.

35. The PAMM Manager Account will only be listed and fully activated upon depositing sufficient funds (equal or higher than the corresponding Minimum Deposit) into the Manager Capital Account.

36. The newly added PAMM account is added to PAMM Account Rankings in the PAMM portal.

37. Fund Managers are required to provide the Company with a Curriculum Vitae/Resume containing their previous trading related experience. The CV/Resume may be uploaded during the account opening process or emailed to the PAMM Department at portfolio@bdswiss.com. The Company reserves the right to stop all operations of a Manager Account in the event that the client denies fulfilling the above requirement.

38. Client who wishes to register him/herself as PAMM Manager is permitted to open up to 5 Strategic Accounts. The Company reserves the right to remove, suspend or terminate any account upon its sole discretion.

BDS MARKETS

39. The company reserves the right to take any precautionary measures deemed as necessary in order to protect the best interests of the PAMM Program without prior notice. In particular the Company has the right, but not limited to, proceed with the following actions:

- Modify the PAMM Manager Account leverage
- Modify the PAMM Manager Account Stop Out Level
- Restrict the number of investors a PAMM Manager account can have at any given time
- Restrict the amount of funds a PAMM Manager account can accept from investors at any given time
- Request a PAMM Manager account to cease operations

310. Accounts with no trading activity for more than 6 months are automatically removed from the PAMM Accounts Ranking list.

311. The PAMM Manager Strategy Account status is changed to 'Active' and added again to the PAMM Account Rankings list only when Manager invests an amount which is equal or higher than the set Minimum Deposit.

4. Manager's Strategy Offer

41. An Offer is a strategy, used by Managers to perform trading transactions on behalf of a Client of the Company. Each offer consists of a set of parameters used by the Company for the calculation of the remuneration of the Manager, as well as a set of conditions for the formation and operation of Managed accounts. Acceptance or rejection of any Offer regarding the investment in any PAMM account is an entirely voluntary decision of the Investor and does not entail the conclusion of any contract, material reciprocal relationship or any other commitment binding the Company, Manager and Investors. The offer parameters are mentioned below in section 5.

5. PAMM Account Parameters

51. Strategy Name

52. Minimum Deposit – Will be defined by the PAMM Manager.

53. Penalty Fee – Withdrawal Percentage amount charged to Investors withdrawing before Trading Period ends. This is payable to the Fund Manager.

54. Trading Period – Specifies the period for which investor withdrawals are charged a Penalty Fee. This only applies one time per single investment and does not roll over.

55. Rescue Level – The percentage of Equity that an investor can keep secured in case of loss on the Investor Account. It is applied only on Fund Manager Accounts with Minimum

BDS MARKETS

Deposit Amount requirements 1,000 USD or more.

- 56.** Public or Private PAMM Strategy Profiles.
- 57.** Performance Fee – Percentage of profits payable to Fund Manager.
- 58.** Never Reduce- the partial closure of open trades on a PAMM Manager Account is executed by the PAMM Manager to allow for a withdrawal of funds
- 59.** Note: PAMM Manager is required to adjust the trades lot sizes manually after withdrawal has been processed.
- 5.10** Only upon PAMM Manager's clear request in a written form the procedures can be taken over by the company.

6. Investor Account Participation

- 61.** By accepting the Manager's offer the Client confirms that he or she:
 - a. Read and understood all of the provisions of these Terms.
 - b. Has all the power and authority to abide by these Terms and understands the significance of his/her own actions.
 - c. Ensures that the management of the Investor funds cannot entail any violation of the rights of the investor or any third party.
 - d. Assumes responsibility for enforcing the provisions of these terms.
- 62.** The Investor Account Participation is used to determine which part of the achieved profit and loss in PAMM Manager account will be distributed to each Investor Account.
- 63.** Investor equity = investor's balance + investor's open P/L + investor swaps and commisos
- 64.** Investor's Balance = Deposits – Withdrawals + closed trade P/L
- 65.** Fund Managers Strategy balance= Sum of all Investors Account Balances under the specific PAMM Manager Account.

7. Rollover

71. Rollover is a daily procedure for PAMM accounts. This procedure commences at 12:00 pm server time and its duration, depending on the amount and composition of the PAMM accounts, may take up to two hours.

NOTE: In the event of volatile market conditions (i.e. scheduled market news), rollover time may be changed to another suitable hour on the same day.

72. Rollover is executed during trading hours (Monday – Friday only).

BDS MARKETS

73. Each Rollover includes:

- Open trades virtual closure on investment account level and updating Value of Investment
- Processing of Pending Deposits
- Processing of Pending Withdrawals
- Processing of Penalty Fees if applicable
- Processing of Performance Fees if applicable
- Recalculation of new Investor Accounts Participation if applicable

Note: When an investor requests a withdrawal, it will be processed during rollover operations at the cut off time. If there are no open positions in the Manager's account the withdrawals will be executed at real time.

74. Calculation of the positions, obtained profit and loss and the payment for overnight positions carrying is calculated for each managed account based on the Investor Account Participation.

8. Deposits

81. An Investor can complete a Deposit into multiple PAMM Manager Accounts via PAMM Portal.

82. A PAMM Manager can generate a deposit into his Manager Capital Account via the PAMM Portal.

83. Deposits into PAMM Manager accounts are processed instantly if there are no open trades on the Manager Account.

84. If the strategy has open positions then the deposit moves into a pending state and is processed at rollover.

85. Pending deposits can be cancelled before rollover.

86. PAMM Manager account open trades are automatically opened on the investor account during the time initial deposit is executed. Trade participation is adjusted each time new deposits are made into the PAMM Manager account.

87. The value of the deposited funds can not be less than the Minimum Deposit.

9. Withdrawals

Note: The Manager cannot influence the process of funds withdrawal from the Investor's account, which is carried out by the Company upon the request of the Investor.

BDS MARKETS

9.1 Investors

9.1.1 An Investor may generate a request for withdrawal of funds from an account in the ‘Investor Account’ section within the BDS Markets PAMM Portal.

9.1.2. While placing a withdrawal, Investors are prompted with the following 2 options:

- Profit Only – Withdrawal of the profits generated for the Investor Account from the selected PAMM Manager Account. All available profit at the relevant rollover will be withdrawn, regardless of the amount requested.

Note: Profit Only option is selectable only if profits have been generated.

- Account Closure – System will automatically enter the Amount to Cash Out. Withdrawal of all available equity at the relevant rollover time will be processed, regardless of the amount requested.

9.1.3. If there are no open trades within the PAMM Manager Account, the corresponding Investor account withdrawals are processed instantly.

9.1.4. In the case that a withdrawal is requested by an Investor while there are open trades in the corresponding PAMM Manager account the following actions will take place:

- a. The withdrawal request move into a pending state and will be processed at the relevant rollover time.
- b. IMPORTANT: There will be no position size reduction on PAMM Manager Account (partial closure of open trades) by the PAMM Manager unless the PAMM Manager has clearly requested in a written form from the Company to take over the procedure.

9.2 The Manager

9.2.1. The Manager may generate a request for withdrawal of funds as stated in 2.2 (f) from his Manager Capital Account as long as it does not bring the account balance below the minimum deposit before trading commences. The withdrawal can be requested via the ‘Manager Accounts’ section within the PAMM Portal.

10. Trading Period

101. The Trading Period begins on the date of the initial receipt of the Investor’s funds in the PAMM account.

102. If a withdrawal is requested by an Investor before the Trading Period ends, the Penalty Fee will apply.

BDS MARKETS

11. Penalty Fees

11.1. Penalty Fees apply when an Investor withdraws any amount before the end of the Trading Period.

11.2. The Trading Period is stated in the Manager's Strategy Offer and it commences as soon as the Investor makes the initial deposit.

11.3. The Penalty Fee is a percentage that is applied on the withdrawal amount.

11.4. The Formula used to calculate the Penalty Fee is:

Withdrawal Amount * Penalty Fee % (as specified in PAMM Manager's Strategy Offer).

12. Rescue Level

12.1. Rescue Level only applies on PAMM Manager Accounts with a Minimum Deposit Amount requirement of 1000 USD or more.

12.2. Rescue Level is the percentage of Equity that an investor can keep secured in case of loss on the Investor Account. As the equity drops to the specified Rescue Level, all open trades relative to the Investor Account are closed and participation in the Manager Account is terminated.

12.3. In the case of full stop out of the PAMM Manager Account, no Rescue Level will be triggered. The Company is not liable in case no Rescue Level is triggered during the full stop out on the PAMM Manager Account.

12.4. Due to high volatility Rescue Level can be triggered below or above expected amount. The Company is not liable for the difference between expected rescue amount and actual rescued amount in case of volatile market conditions.

13 PAMM and Managed Accounts Calculations

13.1. The Company calculates the Investor's balance according to the following formula:

Balance = Deposit - Withdrawals + Profit/Loss – Fees

Balance = Investors Balance

Deposit = Amount deposited

Withdrawals = Amount withdrawn

Profit/Loss = the value of the Profit/Loss achieved with the PAMM account during the trading session preceding the current rollover.

Fees = Includes Penalty Fees and Performance Fees

13.2. The Performance Fee payable is calculated according to the formula:

(Allocated Profits – Allocated Losses) * Performance Fee %

BDS MARKETS

Allocated Profits include profits from closed and open trades. Similarly, Allocated Losses include losses from closed and open trades. The formula is based on the investment duration and therefore covers the period starting from the last Performance Fee pay-out to the current date. Indicative Performance Fees to pay may change as the value of open positions rises or falls (High Watermark principle).

Performance Fees are processed during the first weekend of each month, and/ or at time of withdrawal. If, as a result of technical issues, a Success Fee pay-out does not occur, the pay-out will take place during the next suitable schedule.

14. Manager's Obligations

14.1. The manager, taking into account all of the risks of trading, engages in activities aimed at increasing the Managers Capital and Investor Funds. In the event that the Company decides that the Manager does not comply with Investor Interests, it reserves the right to inform the Customers and/or liquidate the PAMM account.

14.2. The Manager Confirms that:

- a.** He/ She self regulates every, but not limited, requirement of Foreign Exchange, tax and civil law of the jurisdiction a resident of which he/she is.
- b.** All the personal data that was provided to the Company while obtaining the status of the Customer and the registration of the PAMM account is accurate.
- c.** All documents that regulate trading and non-trading operations as well as these terms were carefully read and understood.
- d.** All of the risks and implication of trading on the financial markets are defined and understood.

14.3. The Manager agrees that he/she would be obliged to autonomously settle all possible claims or complaints against him/her by investors or from the governing authorities, and under no circumstances would the Company or any of its owners or any of its representatives be involved in such a legal matter.

14.4. The Manager shall continuously monitor and manage the PAMM account.

14.5. The Manager accepts the obligations to ensure full confidentiality of access details to the my BDS Markets Client Area. All the complaints regarding an unauthorized access details to the my BDS Markets Client Area or Trading Platform will be rejected if the server logs contain information that the actual password and Login were used for this access.

14.6. Manager agrees that he has no right to:

- a.** Affiliate himself with the Company publicly or otherwise, in contracts and agreements either verbally or in writing.
- b.** Use the Company trademark or its logo in any documents or offer.

BDS MARKETS

c. Make statements, calculations or obligations on behalf of the Company on any public means of communications (such as forums, journal articles, books presentations etc).

14.7. Manager agrees that if the results of his activities the Company will be presented with any claims or demands, he is obliged to settle all financial claims at his own expense (including all balances in his trading accounts with the Company). In such cases, all requests for Withdrawal of Funds on behalf of the Manager will be blocked and they will not be executed until the full resolution of the conflict.

15. Investor Obligations

15.1. Investor confirms that:

- a. He/she self regulates every, but not limited to, requirement of Foreign Exchange, tax and civil law of the jurisdiction a resident of where he/she is residing.
- b. All the personal data that was provided to the Company while obtaining the status of the Client and the registration of the PAMM Investor account is accurate.
- c. All documents that regulate trading and non-trading operations as well as these terms, were carefully read and understood.
- d. All of the risks and implications of Trading in the Financial Markets are defined and understood.

15.2. The Investor agrees to pay all fees as defined in the accepted strategy Offer, such as:

- a. Performance Fees
- b. Penalty Fee (for Early Withdrawal)

15.3. Investor agrees that all claims and complaints by third parties that may arise as a result of his/her activities will be resolved independently by him/her and at own expense.

15.4. Investor accepts the obligation to ensure full confidentiality of access details to his/her personal my BDS Markets Client Area. All complaints regarding the unauthorized access to the Investors my BDS Markets Client Area and/or trading platform will be rejected if the server logs contain information that the actual password and login were used for this access.