

# **CPM FINANCIAL GROUP LIMITED**

## **CUSTOMER AGREEMENT**

## STANDARD TERMS AND CONDITIONS OF FOREX TRADING

1. The terms and conditions contained herein shall apply to all leveraged foreign exchange transactions entered into between CPM Financial Group Limited (hereinafter referred to as the “**Company**”) and any of its customers (hereinafter referred to as the “**Customer(s)**”).
2. Unless otherwise specifically agreed in writing by the Company, this Agreement shall supersede all previous agreements and negotiations upon which the Company and the Customer have entered into before the date of this Agreement.
3. In this Agreement, unless the context otherwise requires:-
  - (i) references to "clause" is to clause of this Agreement;
  - (ii) words importing the singular include the plural and vice versa, words importing gender or the neuter include both genders and the neuter and vice versa and references to persons include bodies corporate or incorporate; and
  - (iii) the following expressions have the following meanings:-

“Access Codes”	means the Passwords together with the User ID
“Account”	means the forex trading account or accounts of the Customer with the Company
“CPM Platform”	means the on-line trading platform owned and operated by the Company for forex trading, any information contained therein and the software comprised
“Customer”	means (a) the customer of the Company where the customer is/are individual include the customer and his/their respective executors and administrators and in the case where the customer is a sole proprietorship firm include the sole proprietor and his executors and administrators and his or their successors in the business and in the case of a partnership firm include the partners who are the partners of the firm at the time when the customer’s said account is being maintained and their respective executors and administrators and any other person or persons who shall at any time hereafter be or have been a partner of and in the firm and his or their respective executors and administrators and the successors to such partnership business and where the customer is a company include such company and its successors; and (b) where the customer consists of more than one individual or where the customer is a firm consisting of two or more individuals, the liabilities of the customer hereunder shall be joint and several of such individuals
“initial margin”	means any deposit made with the Company pursuant to clauses 10(b)
“maintenance margin”	means any deposit made with the Company pursuant to clauses 10(c)
“matching contract”	means a contract between the Company and the Customer for the sale or purchase of a particular foreign currency which is due to be performed on the same date as another contract between the same parties relating to a purchase or sale respectively of the same particular currency
“Password”	means my/our personal password used in conjunction with the User ID to gain access to CPM Platform
“User ID”	means my/our personal identification used in conjunction with the Password to gain access to CPM’s Platform
4.
  - (a) The Company contracts as a principal only. The Customer warrants that it buys or sells (as the case may be) as principal and not otherwise. The contract shall be personal to the Customer and is neither assignable nor transferrable by the Customer without the Company’s expressed written consent, which the Company shall have an absolute discretion to give or withhold.
  - (b) Every contract between the Company and the Customer shall give rise to an obligation to settle on the specified date (if any) of the subject matter of the contract.
5. Time shall be of the essence in any contract entered into between the Company and the Customer.

6. Nothing in the contracts between the Company and the Customer shall be constituted to be a partnership or joint venture between them.
7. (a) Each contract shall be deemed to have been entered into by the Customer in reliance only upon its own judgment and deliberations and neither the Company nor any its employees or agents holds out itself as advising or having authority to advise the Customer on their terms and conditions thereof or on any other matters connected with forex transactions and the Company shall be under no liability whatsoever in respect of any advice it has given or views it has expressed, whether or not such advice is given or such views are expressed at the request of the Customer.  
(b) The Company is not responsible in any way for contract, transaction or relationship between the Customer and any of the Company's employees or agents.
8. The Company shall be under no obligation to enter into any contract with the Customer whether such contract is a matching contract or otherwise.
9. Any payment due from Customer in respect of a contract shall be made in immediately available funds.
10. (a) All forex trading contracts of shall be settled upon request by the Company.  
(b) Without prejudice to the Company's right of requesting the Customer to settle all forex trading contracts, prior to any forex trading, the Customer shall deposit with the Company such sum of money or provide the Company with such security by way of initial margin as may be determined by the Company;  
(c) Without prejudice to the Company's right of requesting the Customer to settle all forex trading contracts upon request, the Company shall be entitled to call for additional margin deposits or security at any time.  
(d) The Customer shall pay to the Company a commission at such rate or rates as the Company shall from time to time charge.
11. In addition and without prejudice to the rights of the Company under clauses 8 and 10 above, the Company may in its sole discretion from time to time determine the maximum number of contracts of or in any particular currency which the Customer may enter with the Company at the same time or at any one time PROVIDED HOWEVER that the Company may at any time without prior notice to the Customer vary or limit or restrict or enlarge or increase such number and the Company has no obligation to give prior notice to the Customer in case his position is near or beyond the maximum number determined by the Company or otherwise provide the Customer with information with respect to his position.
12. (a) The Company shall also be entitled to call for additional security if the current market value of any security provided by the Customer by way of initial margin or maintenance margin shall fall and the Customer shall pay the Company as and required by such call such sums of money or provide the Company with such further security as is equal to the said fall in value.  
(b) The Customer shall at the request of the Company execute and do all such deeds, documents, acts and things as the Company may require in order to perfect the Company's rights in respect of any security provided by the Customer by way of initial margin or maintenance margin and the Customer shall bear the cost thereof.  
(c) Upon due performance by the Customer of all its obligations under a contract with the Company, any monies held by the Company in respect of that contract, subject to the Company's rights under these conditions, shall be repaid, returned or released (as the case may be) to the Customer.
13. Any advance or other credit facility made available by the Company to the Customer for the purpose of financing, in whole or in part, any obligations of the Customer pursuant to a forex transaction effected with the Company shall be made available on such terms as may be expressly agreed between the Company and the Customer, but, save as may be agreed to the contrary, any principal advanced, together with interest thereon and any commission and other costs payable by the Customer, shall become immediately payable if any of the events specified in clauses 16 and 17 shall occur.
14. Without prejudice to any other rights the Company may have under this Agreement or at common law or otherwise, the Company shall not be obliged to release any security or cash standing to the credit of any of the Customer's account or pay over any sum to the Customer and also the Company shall be entitled to the remedies set out in this Agreement, if, in respect of any contract with the Company:-
  - (a) The Customer has not provided any initial margin or maintenance margin due or has failed to comply with a request made by the Company pursuant to clause 10 hereof immediately, or where specifically agreed, immediately upon such request; or
  - (b) The Customer has not paid the whole of any outstanding amount due and payable by it; or
  - (c) The Customer has not provided any margin call due or has failed to pay to the Company, immediately upon such

- request; or
- (d) The Customer makes default in or commits a breach of the terms and conditions of the contract.

If at any time:-

- (a) The Customer dies or commits any act of bankruptcy, or an order shall be made or an effective resolution shall be passed for the winding up of the Customer, or a meeting shall be convened for the purpose of considering a resolution that the Customer should be wound up voluntarily; or
- (b) The Customer convenes a meeting for the purpose of making, or proposes or enters into, any arrangement or composition for the benefit of its creditors; or
- (c) The Customer shall stop payment, or cease or threaten to cease to carry on its business or dispose or threaten to dispose of its assets, or becomes unable to pay its debts; or
- (d) Any indebtedness or obligation of the Customer for the repayment of any borrowed monies becomes due and payable, or capable of being declared due and payable prior to the specified maturity date thereof owing to any default thereunder or is not paid when due (and for 7 days thereafter); or
- (e) An encumbrance takes possession or a receiver or other similar officer is appointed in respect of any part of the undertaking or assets of the Customer or a distress, execution or other process is levied or enforced or instituted upon or against any property of the Customer and is not removed, discharged or paid out within seven days; or
- (f) Any security created by any mortgage or charge created by the Customer becomes enforceable and the mortgagee takes steps to enforce the same;
- then, in any one or more of such events, the Company shall have the right without notice to the Customer and without prejudice to any other claim or right which the Company may make or exercise, to determine all or any of its contracts and/or accounts then outstanding with the Customer, and any principal advanced to the Customer together with any interest thereon, shall become immediately due and payable and the Company may in its entire discretion exercise any of the rights listed in clause 16 and shall not be obliged to release any cash standing to the credit of any of the Customer's accounts or pay over the sum to the Customer.
15. (a) Without prejudice to any other rights or remedies that the Company may have if any one or more of the events mentioned in clauses 14 and 15 hereof shall occur the Company shall be entitled, in accordance with clause 16 hereof and without notice to the Customer, to close out all or any outstanding long or short positions of metal in the Customer's account and/or any unperformed contracts with the Company notwithstanding that the dates fixed for performances of all or any of the contracts so closed out may not have arrived.
- (b) The rights and powers conferred to the Company hereunder are in addition to and without prejudice to any other rights powers and remedies given to the Company by virtue of any other security or rule of law or equity. The Customer further agrees that the Company shall be endowed with a right of lien equivalent to a banker's lien and that the Company may exercise such lien or right of lien on all of the Customer's property or securities which may now or hereafter be in the Company's possession or custody, whether for safekeeping or otherwise.
16. (a) Where the Company exercises its rights (a) under clause 16 hereof to close out all or any outstanding long or short positions in the Customer's account with the Company, the closing out shall be effected by the Company making a matching contract with the Customer for an amount sufficient to close out the said outstanding long or short positions (and for this purpose the Customer irrevocably appoints the Company as its agent).
- (b) The amounts payable under the closed out contract and the matching contract shall be expressed in or converted to Hong Kong Dollars.
- (c) The price at which the matching contract is made shall be at such price as the Company shall in its own judgment and at its discretion decide and expressed in the same currency as the closed out contract.
- (d) The Company may in its entire discretion close out contracts either on a single or a collective basis.
17. Any conversion from one currency into another or any determination of the market value of any outstanding contract(s) to be made pursuant hereto or for the purpose of performing or enforcing this Agreement shall be effected by the Company in such manner as it may think fit and at its discretion.
18. (a) The Company may exercise any right or power granted to it hereunder at such time or times and in such manner (consistent with the express terms of this Agreement) as it may, in its absolute discretion, determine in respect of each occasion upon which any such right or power is exercised and the Company shall not be liable for any consequential effect thereof.
- (b) The rights and remedies provided herein are cumulative and not exclusive of any rights of lien, sale, set-off or retention or other rights or remedies which the Company may have at common law, by status or otherwise howsoever. No failure to exercise and no delay in exercising on the part of the Company and right or remedy shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy or any action of or concession of the Company preclude any other of future exercise thereof or the exercise of any other right or remedy.

19. Without prejudice to the Company's rights to insist on immediate payment of any overdue sum including overdue margin deposits, the Customer shall pay the Company interest on such overdue sum at the rate of 2.0% per calendar month from day to day from the date of default up to the date of actual payment.
20. The Customer shall reimburse the Company for all taxes imposts and levies whatsoever charged in connection with a sale or purchase transaction or in connection with the deposit and shall hold the Company indemnified against all such taxes imposts and levies.

#### Internet Trading

21. The Company shall provide CPM Platform to facilitate the Customer in operating the Account for the purpose of and in connection with the forex trading contracts.
22. The Customer acknowledges that suppliers of market data do not guarantee the timeliness, sequence, accuracy or completeness of market data or any other market information, or messages disseminated by any party. Neither the Company nor any disseminating party will be liable in any way, for (a) any inaccuracy, error, or delay in, or omission of (i) any such data, information, or message; or (ii) the transmission or delivery of any such data, information or message; or (b) any loss or damage arising from or occasioned by (i) any such inaccuracy, error, delay or the gross negligence, fraud or dishonesty on the part of the Company, its employees, agents or representatives.
23. The Customer is the only authorized user of CPM Platform under this Agreement. The Customer is solely responsible for the confidentiality, security and use of the Access Codes. The Customer shall be solely responsible for all orders entered through the use of CPM Platform using the Access Codes.
24. (a) The Customer understands that CPM Platform is a facility which enables the Customer to send electronic instructions for transactions provided herein and to receive such information as determined by the Company from time to time and the Company shall be entitled to impose conditions and restrictions in relation thereto by reasonable notice to the Customer given in such manner as the Company considers appropriate.  
(b) The Customer undertakes to use CPM Platform only in accordance with this Agreement and the operational policies and procedures relating to CPM Platform provided by the Company from time to time.  
(c) The Customer acknowledges that CPM Platform and the software comprised therein are licensed or proprietary to the Company. The Customer warrants and undertakes that the Customer shall not, and shall not attempt to, tamper with, modify, decompile, reverse engineer or otherwise alter in any way, and shall not attempt to gain unauthorized access to, any part of CPM Platform or any of the software comprised therein. The Customer agrees that the Company shall be entitled to suspend the Account immediately without notice to the Customer, and the Customer acknowledges that the Company may take legal action against the Customer, if the Customer at any time breach this warranty and undertaking or if the Company at any time reasonably suspects that the Customer has breached the same. The Customer undertakes to notify the Company immediately if the Customer become aware that any of the actions described in this paragraph is being perpetrated by any other person. In case the Customer has any question on the suspension of the Account, the Customer should call the Company's customer service hotline for clarification.
25. The Customer shall immediately notify the Company if:
  - (a) an electronic instruction has been placed through CPM Platform but a reference in the form of an order identification number was not received on line from the Company;
  - (b) an electronic instruction has been placed through CPM Platform but an accurate acknowledgement of its execution or a trade identification was not received on line from the Company;
  - (c) The Customer has received acknowledgement, whether in writing or given electronically or orally, of the execution of a transaction for which the Customer did not give any instruction; or there is any suspicion of unauthorized electronic instruction being given or unauthorized access to CPM Platform being made; or
  - (d) The Customer becomes suspicious of or aware of any unauthorized disclosure or use of the Access Codes.  
If I/we fail to notify the Company as soon as practicable when any of the above events occur, neither the Company nor its employees, agents or representatives shall have any responsibility or liability to me/us or to any other person whose claim may arise through me/us for any claims with respect to the handling, mishandling or loss of any electronic instructions.
26. The Customer agrees that should the Customer experiences any problems with CPM Platform, the Customer shall use alternate methods including the use of the Company's telephone service to communicate with the Company.
27. The Customer represents, warrants and ensures that all the Customer's computer systems and software will continue to

operate without interruption and that they will not cause any failures or errors in CPM Platform.

28. The Customer shall take reasonable steps to ensure that all the Customer's computer systems and software are, and undertakes to ensure that they remain, virus free and secured.
29. the Company will take reasonable steps to ensure that any software provided by the Company for the purposes of enabling the use of CPM Platform will be (a) error free; (b) virus free; (c) uninterrupted; (d) compatible with any other software; or (e) capable of providing any facilities or functions to enable the Customer and the Company to instruct and deal in accordance with this Agreement. The Customer understands that the Customer should keep all transaction records for its reference.
30. The Company and the Customer will each use its best endeavors to ensure that any communications between the Company and the Customer via CPM Platform will not be read, received or interfered with by any unauthorized person.
31. The Company shall not be liable for any quoting errors which occur due to a mistyping of a quote or missing an erroneous price request from the Customer by any employee, agent, or representative of the Company, like wrong big figure quote. The Company reserves the right to make necessary corrections or adjustments on the Account involved should there be any errors in the account balance resulting from the aforesaid. Any dispute arising from such quoting errors will be resolved by reference to a fair market value determined by the Company of a currency at the time such an error occurred.
32. The Company shall not be liable for any consequential, incidental, special or indirect loss or damage including lost profits, trading losses and damages that result from inconvenience, delay, failure or inability in the use of the CPM Platform that are beyond the control of the Company or the CPM Platform provider even if the Company has been advised of the possibility of such loss or damages.
33. The Company shall not be liable for any losses resulting from or in connection with the use of Cheung's Platform due to a cause over which the Company does not have control, including but not limited to the failure of electronic or mechanical equipment or communication lines, telephone or other connection problems.
34. Whilst every effort is made to ensure the accuracy of information available through CPM Platform, the Company accepts no responsibility for any use of the information provided and will not be liable for any loss suffered thereby.
35. The Company makes no representation and gives no warranty or condition, express or implied with regard to the information provided within the CPM Platform.
36. The Customer acknowledges that the internet is, due to unpredictable traffic congestion and other reasons, an inherently unreliable medium of communication and that such unreliability is beyond the control of the Company. The Customer acknowledges that, as a result of such unreliability, there may be delays in the transmission and receipt of instructions and other information and that this may result in delays in the execution of instructions and/or the execution of instructions at prices different from those prevailing at the time the instructions were given. The Customer further acknowledges and agrees that there are risks of misunderstanding or errors in any communication and such risks shall be absolutely borne by the Customer. The Customer acknowledges and agrees that it shall not usually be possible to cancel an instruction after it has been given.
37. The use of the CPM Platform may be terminated at any time by written or verbal notice given by the Company to the Customer.
38. Upon the issue of the notice pursuant to clause 37, the Company may terminate all Accounts in the Customer's name with the Company and convert all monies held in or for the Accounts into Hong Kong dollars and realize any open position in the Accounts and subject to the full payment of all monies owed by the Customer to the Company, the Company shall:
  - (a) Credit any balance on the Accounts to the Customer's bank account;
  - (b) Send by post at the risk of the Customer account to the Customer last known address, a cheque in the amount of the credit balance of the Accounts; or
  - (c) Deliver to the Customer personally or to the Customer duly authorized agent or attorney, a cheque in the amount of the credit balance of the Accounts, and send to the Customer all documents of title relating to the Accounts.

#### General

39. No modification or waiver of any provision of this Agreement except in writing and signed by authorized persons of the Company. Without prejudice to the foregoing the Customer expressly agrees that during the course of dealing between the parties, any waiver in any one or more instances shall not be deemed a waiver on other instances.

40. The Company may at its discretion thereafter amend, delete or make any substitution or addition, as the case may be, which shall be deemed to be incorporated herein unless objected to in writing by the Customer within 48 hours from such notice and upon receipt by the Company of such written objection, the Company shall be entitled to treat the same as an event of default by the Customer having happened.
41. All contracts between the Company and the Customer and/or all documents recording the same and/or all statement relating to the Customer's account or accounts with the Company shall be conclusive if not objected to in writing by the Customer directed to the office of the Company within 2 days after the transmission of such documents and/or statements to the Customer by mail or otherwise.
42. Any terms, conditions, stipulation, provision, covenant or undertaking in this Agreement which is illegal, void, prohibited or unenforceable in any jurisdiction shall be ineffective only to the extent of such illegality, voidness, prohibition or unenforceability, without invalidating the remaining provisions hereof, and any such illegality, voidness, prohibition or unenforceability in any jurisdiction shall not invalidate or render illegal, void or unenforceable any such terms, conditions, stipulation, provision, covenant or undertaking in any other jurisdiction.
43. The Customer shall pay or reimburse to the Company immediately upon demand all costs, charges and expenses incurred by the Company in connection with the enforcement of or the preservation of any of its rights under this Agreement including but not limited to the fees and expenses of the Company's legal advisers, on a solicitor and own client basis.
44. Report, notices and any other communications may be transmitted to the Customer at the address or telephone number appearing on the records of the Company or at such other address or telephone number as the Customer shall notify the Company in writing, and all communications so transmitted, whether by mail, telegraph, telephone, telex, messenger or otherwise shall be deemed to be transmitted when telephoned or when deposited in the mail, or when received by a transmitted agent, whether actually received by the Customer or not.
45. This Agreement shall ensure for the benefit of the Company and its successors and assigns notwithstanding any change in the constitution of the Company by the admission or retirement of partners or otherwise.
46. All contracts between the Company and the Customer shall be governed by and construed in accordance with the Laws of Hong Kong. Any dispute arising under or in connection with any such contract shall be subject to the exclusive jurisdiction of the Courts of Hong Kong save that the Company shall have the right in its absolute discretion to initiate proceedings in the courts of any other country in which the Customer is resident or in which assets of the Customer are situated or to seek the assistance of such courts to enforce any or all judgments or orders of the Courts of Hong Kong.
47. Client confirms that the attached Schedule 1 trading rules & the Products and Services which displayed on the Company's website are now well understood and agreed to trade conforming to the requirements and rules. The client acknowledges that these trading rules may change from time to time at the sole and discretion of the Company and will be binding to the client. The latest version of trading rules is available on the Company's website.

IN WITNESS whereof this Agreement has been duly executed on

**SIGNED by Customer**

Name: )  
Position: )  
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)  
)  
)  
)

\_\_\_\_\_  
Customer's Signature  
Authorized Signature / Company Chop

**Witness**

Name: )  
Address: )  
Occupation )  
)  
)  
)  
)

\_\_\_\_\_  
Witness' Signature

SIGNED by )  
for and on behalf of )  
**CPM FINANCIAL GROUP LIMITED** )  
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)

\_\_\_\_\_  
Authorized Signature

**Witness**

Name: )  
Address: )  
Occupation: )  
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Witness' Signature