

INVESTOR



AGREEMENTS

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## **BROKERAGE AGREEMENT**

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# CONSUMER AGREEMENT FORM

This form has been prepared within the framework of legislative requirements of Securities Market. The questions on the form have been designed to measure Client risk concerns. In accordance with legislative requirements Client shall undertake all kind of responsibilities, in the case of Client's refusal to provide information. In order to provide you the most suitable service when investing, we ask you to respond the following questions profoundly.





## Personal info

First Name, Last Name		
The type of document	Nationality	
Series	No	
Place of Issue	Date	<input type="text"/> <input type="text"/> <input type="text"/>
		<small>dd mm yyyy</small>
Place of birth	Date	<input type="text"/> <input type="text"/> <input type="text"/>
		<small>dd mm yyyy</small>
Issuing Authority		
Male <input type="checkbox"/>	Female <input type="checkbox"/>	Single <input type="checkbox"/> Married <input type="checkbox"/>

## Contact info

Registration Address		
Actual Address		
Tel.	Mobile	Fax

### E-mail

Contact person to represent you

<input type="text"/>	<input type="text"/>	<input type="text"/>
<small>Name</small>	<small>Surname</small>	<small>Phone No</small>

## Occupational info

Employed <input type="checkbox"/>	Unemployed <input type="checkbox"/>	Organisation
State <input type="checkbox"/>	Private <input type="checkbox"/>	
Position	Duration	

## Financial info

The value of capital you possess

Which are the following sources of funds?

Salary

Inheritance

Entrepreneurship

Family

To which of the following groups is your annual income close?

< 15 thn. USD

15-50 thn. USD

50-250 thn. USD

250 thn. - 1 mln. USD

> 1 mln. USD

### Investment risk degree

Low

Medium

High

Investment Experience

Stocks

Bonds

Investment  
Funds

Currency/  
Gold

Derivatives

Other

I have invested before

I am aware of risks

SPECIMEN SIGNATURE FORM

*I confirm with my signature that I am fully aware of  
responsibility for the information presented above.*

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# THE NOTIFICATION REGARDING THOSE WHO TRADE ON BEHALF OF A LEGAL ENTITY

## Legal Entity

Full Name
Legal Address
Actual Address
The State Registration Number
Date <input type="text" value="dd"/> <input type="text" value="mm"/> <input type="text" value="yyyy"/>

**TIN**

The type of activity	
Tel.	Fax
E-mail	

## Bank info

Bank name	
Branch	Code
Corresponding Account	TIN
Account No	SWIFT

Stamp Sample	
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Authorized Person

First Name, Last Name

Place of birth  Date

Identity Document No

Address

Tel.  Mobile

E-mail

Representative's signature

*As a director of the legal entity I filled the information above and I claim that I have been informed about its responsibility.*

First name, Last name

Position

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## General Information

Invest AZ Limited regarding “Broker” and “Personal Management” activities will present Account Opening, Deposit and Withdrawal transactions. Any person signing both these agreements will become a Client of Invest AZ Limited. The Client receives Asset Management services from Invest AZ Limited and conducts the necessary payments using INVESTOR profile by the means of current account which has been opened by Invest AZ Limited for its Clients. According to the terms of this agreement, the Client shall not only sign management Agreement, but also all his activities related to management are regulated within the Personal Management Agreement signed by him and Invest AZ Limited. Each Client obtains individual INVESTOR profile by signing both the “Broker” and “Personal Management” Agreements and all kinds of financial instructions are directly conducted by this profile via electronic display. Prior to signing this agreement, the Client should be familiar with the instruction of INVESTOR, services he can get here and technical terms and should accept these terms definitely.

Used in Investor;

- **"INVESTOR" Profile:** is an online profile opened by a Client independently via [www.investor.invest-az.com](http://www.investor.invest-az.com) web site or on behalf of the Client when signing a Agreement. INVESTOR profile is unique for each Client and the Client must have only one INVESTOR profile. The Client will gain an access to use both existing and potential services and products offered by Invest AZ Limited.
- **Current Account:** is an account opened for Clients on the relevant currency type under Invest AZ Limited in order to use current products and services and carry out investment transactions. Client deposits his money only into current account through bank transfer, card or cash payment and withdraw through bank transfer and cash payment. Money transfers into current account can be done with both by cash and electronic payment. Electronic transfer transactions are subject to the time and commission norms of local and foreign banks which execute transfers. The Client can collect information about these norms independently.
- **Sub-accounts:** are current sub accounts opened separately for the Brokerage and asset management services under Invest AZ Limited which offer Clients to be able to use proposed services and cash flows associated with Brokerage and asset management services. There is no limit to the number of sub-accounts. The Client can open more than one sub-account on the same service offered by Invest AZ Limited. Funds are deposited into sub-accounts through current account and withdrawn from sub-accounts through current account only.

# RISK NOTIFICATION ON INVESTOR PROFILE

You should consider the following details in the operations with electronic INVESTOR profile opened within the Broker or Asset Management activities:

- The provisions of legal documents and legal acts shall be applied to your INVESTOR profile and your investment operations in the trading platform.
- Client is fully responsible for the validity and accuracy of his personal information, and not to be subject to fraud or crime. In the case of any doubt to the accuracy, validity and crime of the information presented by the Client, Invest AZ Limited shall stop to present "INVESTOR" services or reject to provide existing "INVESTOR" service without notifying the Client in advance. Invest AZ Limited organizes internal recording of the Client information based on the data presented on the "INVESTOR" account of the Client. Invest AZ Limited shall refer to the Client data on internal accounting records if any change has been made on the Client data by the Client himself and not informed Invest AZ Limited or not recorded on the INVESTOR profile.
- The Client realizes and accepts that "INVESTOR" profile is an electronic portfolio of services created for Clients to be able to use offered services by Invest AZ Limited in a convenient and efficient way and like any other electronic operational systems, the Client is ensured from specific risks that may arise due to interruption in electric power, technical problems in internet network in a local and international level, the Client's computer and other equipments that do not meet the relevant technical requirements and any other defect that may occur in these equipments.
- Invest AZ Limited retains the right to change the types of the sub accounts presented, the composition of these accounts according to the requirements of legislation, as well as personal needs. The rights and obligations arising from the Client's sub-accounts which were open before, but can be stopped and the tasks on these accounts were abolished to the moment of suspension of the relevant service shall be applied to the Client's Current account.
- Invest AZ Limited is not responsible for the risks that cannot intervene directly to the operations involving electronic money transfers to the Client's Current account, as well as withdrawal transactions from the Client's Current Account on "INVESTOR" profile to his personal bank and other electronic accounts.
- Invest AZ shall attempt to solve false information resulting from technical defects and disorders that may arise on the Client's "INVESTOR" account, Current or Trade accounts. New task orders by the Client regarding "INVESTOR" profile cannot be accepted for execution or can be accepted later, in the case of any technical and prophylactic measures which can be implemented by Invest AZ Limited. Invest AZ Limited is not responsible for the damages on the Client's Current account arising from these issues.

Risk notification aims to inform investors about existing risks and may not cover all the risks about "INVESTOR" profile. So, before opening "INVESTOR" profile, you should consider the risks arising from the relevant electronic services.





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# RISK NOTIFICATION ON TRADING IN THE SECURITIES MARKET

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As a result of your orders in the Securities Market, like your profit opportunity, loss risks could occur. Therefore, before making trading decisions, you should realize the risks that you can face in these markets, consider your financial position and opportunities.

For this reason, it is important to understand the risks of participation in the Securities Market and read carefully information in the form of the following "Risk Notification" within the framework of legislation requirements on the Securities and Financial Market.

## Risk Notification

In addition to those mentioned in the Agreement to be signed between you and Invest AZ Limited, you should need to pay attention to the following as well.

- The requirements of the relevant Securities Law shall be applied to the account opened within the Broker and all types of transactions in this account.
- The result of tasks ordered in the Securities Market faces certain risks. In particular, when you give an order in marginal trade, as you can lose all your money funds as a result of a price change in financial instruments, and your loss can overcome the investment amount due to the features of investment instruments.
- You should take into consideration that in marginal trade leverage provides an opportunity to invest in a high amount with small investment, as well as may increase your loss risks considerably.
- You should take into account that advice and information of Broker companies regarding your orders in the financial markets may be incomplete or in need of approval.
- You should consider that any type of analysis made by authorized personnel of Broker companies may differ, and the existing possibility of these analyses in the real market conditions may not be realized or come true.
- In addition to the above risks, one should consider that there is a currency risk based on the orders in foreign currency, additional losses due to exchange rate changes, hardening of exchange rate regime in the country of origin and arising additional obligations due to that, as well as not realization of your orders with the given price.
- Before the order, you should get information about the commission and expenses which will be applied by the company to your obligations regarding your operations. If these commission and expenses are not expressed in money form, then you should get a sample written statement describing how these expenses shall be applied to your obligations.

Risk notification on Securities Market aims to inform investors about existing risks and may not cover all the risks regarding the trade of investment instruments. So, you should make an accurate research on the relevant investment before making orders about securities and financial instruments.

# RISK NOTIFICATION ON TRADING SYSTEM

In addition to the above mentioned Brokerage agreement signed between me and Invest AZ Limited;

1. I accept the possibility to accept orders on securities and financial instruments which have not been registered by the relevant regulatory authority.
2. I accept the possibility not to research on the current legal and financial position of companies who issued financial instruments, with the exception of instructions of controlling authorities.
3. I accept the possibility of temporary or the full suspension of sale-purchase transactions on financial instruments not corresponding the requirements of relevant legislation.
4. I accept the application of legislative requirements from the beginning of the moment at which financial instrument is available for trading on of the Trading platform or in other possible means provided by the Broker.
5. I accept the fact that the regulatory body is not the opposite side on financial instrument presented on the Trading platform, and also the specified regulatory body does not bear any responsibility for possible losses.

I declare to trade in the healthy mood, having completely read Risk Statement on the Trading Platform and instructions on the use of Trading Platform and I declare to sign this statement at my own will.

*I confirm that I have read all Statements above, understood them, and accepted these documents not necessary signing all them separately.*

	dd	mm	yyyy
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# **BROKERAGE**

## **AGREEMENT**



BONDs  
FUNDs  
NOTEs  
STCKs  
ETFs

Section:

# TRADING INVESTMENT SECURITIES

## DEPOSIT AND WITHDRAWAL OPERATIONS

I accept to carry out my operations on the basis of the legislation in the financial markets;

- Via bank or electron transfer to the relevant bank account/from the account of Invest AZ Limited prescribed by the legislation,
- By mutual settlements in cash in the actual address of Invest AZ Limited.

Personal data: Provided in the Consumer Agreement Form.

## COMMISSION AND EXPENSES

**Commission for trade operations:** Invest AZ Limited does not apply commission for execution of marginal trade operations on the Client Account.

**Withdrawal expense:** All the expenses regarding withdrawal of funds from Invest AZ Limited account are attributed to the Client.

**Spread charge:** Detailed information regarding the spread charges on financial instruments can be found on the website [www.invest-az.com](http://www.invest-az.com)

**Swap charge:** Detailed information regarding the swap charges on financial instruments can be found on the website [www.invest-az.com](http://www.invest-az.com).

Article 1

Parties

Invest AZ Limited (Further called Broker) Level 1, 11 Alma street, Auckland, 1023 New Zealand and

(Further Client)

**Personal data: Provided in the Consumer Agreement Form.**

On the basis of legislative requirements in the financial markets, the Client has to fill in the Client Survey in order to obtain the maximum information on risk and profit opportunities, investment purposes and financial position. The Client is obliged to inform the Broker about the changes or amendments arising in this information periodically. Otherwise, the Broker will refer to available information on the Client Survey when carrying out operations on behalf of the Client. The Client accepts the overall responsibility for possible consequences at the case of refusal of providing personal information. The Client is obliged to make a written explanation, in the case of refusal to grant personal information about himself. The Client declares that, he has read and understood information provided above and signs this Agreement at his own will.

The Client officially recognizes and declares that, all the information provided to Broker is truthful, exact and reliable and to compensate the possible losses suffered by the Broker in case of reality is not provided and to declare that the money deposited is not earned by a criminal way and does not aim at money-laundering.

Risks associated with security trading is explained to Client in the form of Risk Statement on Trading in the Securities Market within the framework of corresponding legislative requirements and after signing one copy of risk statement is given to Client. Having studied information in the Risk Statement, the Client accepts to sign the Agreement and to carry out the instructions on the sale and purchase of securities on the basis of this Agreement.

Amendments to this Agreement or any kind of notifications, are an integral part of this Agreement and its provisions are explained on an equal basis with provisions of this Agreement.

Article 2

Subject of the Agreement

This Agreement regulates the rights and obligations of the parties for implementation and execution of Client’s orders and relevant services provided by the Broker for trading with currency, commodity, security and various financial instruments within the framework of Securities Market Legislation, trading rules on Exchange and other legislative acts.

This Agreement, by no means, should not be perceived and explained as the Personal Management Agreement.



## Article 3

### Explanation of terms

Terms used in this Agreement;

- **Interactive operation:** These are investment operations that are carried out on the account or on the software to be opened by the Broker allowing the Client to trade through the direct access to Broker's trading system with the use of Client's account information opened by the Broker (an account number, password, investor login) and as well as by means of phone, Internet, email, SMS, ATM and so forth.
- **Order:** Expresses the sale or purchase instructions.
- **Purchase order:** It is the written trade order or any other form of order specified by Broker allowing the Client to purchase a security.
- **Sale order:** It is the written trade order or any other form of order specified by Broker allowing the Client to sell a security.
- **Exchange:** This is a legal entity defined by the legislation as a place to sell and purchase securities.
- **Realization date:** It is the date on trading orders stipulated at Depository and Clearing Centre, when payments have made on purchase and profits have realized on the sale of securities.
- **Commission:** These are charges applied to the Client account for any kind of Client orders executed by Broker for Exchange, Depository and Clearing services, the purchase and the sale of securities, their storage, payments of currency, interest and dividend income on securities realized on the behalf of Client and evaluation of Client's funds.
- **Clearing center:** It is the central organization authorized by the Exchange for execution of mutual settlements on trade operations performed on the Exchange.
- **Legislation on financial markets:** It is the collection of normative legal acts regulating the rights and obligations of parties and participants of securities trading.
- **Investment tools:** These are tools in the form of securities, currencies, derivatives commodities and so forth which are permitted to trade freely within the framework of legislative requirements in financial markets.

**Article 4**

## Essentials of Brokerage activity

All types of trade operations on securities market will be executed by Broker on behalf and at the expense of Client, all profit and losses arising from these operations shall be withdrawn from the Client account.

**Article 5**

## Trade orders

All the operations on trading securities are carried out at the Client's own will and decision on the basis of trade orders sent to Broker. The whole responsibility of decisions made on trading securities lies on the Client.

Broker has the right to partly or completely refuse orders of the Client, with immediate notification of reasons. The Client bears full responsibility to present all types of orders and instructions clearly and undoubtedly. The Broker is not responsible to execute trade orders and instructions unless above mentioned doubts are not eliminated.

Broker carries out all the necessary actions for execution of Client's orders on Exchange. However, the Broker does not bear any responsibility for a partial or utter impossibility to execute Client's orders on Exchange.

Broker has the full right to carry out not only written trade orders, but also orders received via phone, online trading, information systems or other means. In case of receiving trade orders by the Client via online trading, information systems, and also other possible systems, the Broker shall make records in internal registration systems, and also Client's orders given by the means of phone, online trading and information systems will be considered by the parties as final and decisive argument in arising disputes.

**Article 6**

## Acceptance of Client's orders

Except for the cases of marginal trading, Broker has the right to demand from the Client to ensure possession of funds at least with the value of relevant transaction in order to accept trading orders.

Net assets of Client's account may well be cash, currencies with the given permission to circulate by the relevant legislation, securities listed on the relevant exchange or exchanges, government and municipal securities, gold and other precious metals, and other assets prescribed by the legislation. Liabilities on Client's orders or frozen funds on any trading accounts are not taken into account during the calculation of net assets in the Client's account.

If the Broker is completely confident in solvency of the Client, based on approved documents confirming its solvency and the size of equity to return its debts and on the positive consent by authorized and officials of the Broker, without passing the date of realization may execute trade





orders of the Client. Such execution depends completely on the decision of the Broker.

Except for Agreements on a difference (CFD), the Broker has the right to demand from the Client the provision of funds on the Client's account required to sell securities and may require the execution of purchase orders before the sale of securities.

The Broker may accept a sale order of the Client on sale only in the case, if the Client has possibility of granting a sold security, and also it will be able in written or in other (phone, e-mail, etc.) form before the date of realization to give to the Broker assurance of granting this asset. The Client bears full responsibility for a provided security and documents corresponding to it.

The Client bears full responsibility for results and losses arising from the execution of sale orders and receives trade orders without granting a security.

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#### Article 7

### Execution period of orders

The Client can define the period of execution of the corresponding trade orders on agreed norms determined on Exchange. If these orders are not executed in a certain time, then the Client is considered to lose the right for execution of these orders.

The orders with uncertain period of execution shall be considered as the order issued for an indefinite period.

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#### Article 8

### Representation

The Client agrees to give his authorities to his representative or advocate, in the form of notification received from Broker within the framework of this Agreement. The provisions of this statement are prepared and filled in according to the relevant existing legislation.

Responsibility for results of action or inaction of the Client or his representatives is completely assigned to the Client and his representative respectively. The Broker does not bear any responsibility for trading operations in the Client's account, unless the Broker is not officially informed about any changes regarding the Client's account. Notifications on any changes about the Client's representation shall be directly submitted to Broker although it is not informed in the mass media. Client representatives will be considered as persons with fully legal authority as prescribed by the final agreement with the Client, as long as the Broker is not informed with these kinds of notifications.

The Client has the right to dismiss his representative to refuse representative services with the request to Broker in a written form. Before the provision of the written statement to refuse representative services, all kinds of operations executed by the Client's representatives have to be accomplished on behalf and at the expense of the Client.

Broker is not responsible for all operations on the Client's account executed by the Client's representatives, its results and trading orders by the period at which Clients representatives

are not released from their authority. If more than one representative have a right to sign on the Client account, and if this right is not specified as personal or combined, then the Broker will accept each person with the right to sign authority as an authorized person on the Client's account.

#### Article 9

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### Cancellation of orders that are not executed

The Client has to control the execution of orders personally. Broker does not bear any responsibility for the late familiarity of execution of Client's orders.

Parallel instructions given along with the current operations by the Client, instructions on deposit and withdrawal, or execution of transfers are the evidences of Client's familiarity with the previous transactions on his account.

The cost of operation on the purchase orders shall be assigned to the Client's debt, the cost of operation on the sale orders shall be assigned to the Client's receivables, and commission and other charges on trade orders shall be assigned to the Client's debt.

The Client accepts the right of pledge of the Broker over securities stored in Depository up to the end of trading transactions.

The Client is obliged to pay the Broker the purchase price on the purchase orders on the date of execution of the last transaction. The Broker has the right to sell securities without the need for any approval or notification, which are bought by the Client, yet the payment has not made until the execution date, may add it to his personal portfolio on the cases provided by the relevant legislation or remove this value from the Client's account. In such cases the Broker adds proceeds on the Client's account left after subtraction of corresponding operational expenses from the revenue obtained from the sale of securities.

The Broker has the full right of pledge over securities, money and other means of the Client up to realization of receivables from the Client.

The Broker reserves the right on the use of means remained from the part of non-executed trade orders and other residual means by the date of Client requests it back. Under such circumstances the profit or losses realized by the use of Client's funds shall not be assigned to the Client's account.

The Client completely accepts that he possess sufficient legal basis for the operations in the case of receivable balance appeared as a result of sale-purchase orders, evaluation of Client's funds, addition of notes on accounts receivables to the Client's account and addition of these funds into the Client's account.



## Article 10

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### Delay of payments

In the case of delay of payments of commission and such expenses on mutual settlements when trading securities, unpaid amount shall be subject to Client's debt and Broker applies daily interest commission on this amount, if this debt is temporarily met by the Broker.

If the payment of debt has not made to the Broker at the specified time agreed by the parties, then the Broker has the right to cover the debt completely or partly at the expense of sub-accounts opened for a certain type of service.

The obligations of Broker arisen upon the Exchange or other persons owing to execute Client's orders and also the commission and other interest expenses related to these obligations shall be completely and immediately paid to Broker by the Client.

## Article 11

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### Depository service

In case the Client does not receive the written requirement on deliveries of instruments of the financial market, the following provisions shall be applied in relation to keep securities.

The Client accepts the following;

- i. Trading instruments acquired at purchase or sold at the request of the Client shall be stored in accordance with the relevant legislation and regulations of regulatory authorities, as part of these requirements storage of securities may be organized at the expense of Broker as well as kept directly by the relevant bodies providing Depository services, in this case delivery of securities and execution of other operations with related securities shall be conducted by the Broker,
- ii. Except for the cases of possible losses and damages that could arise with the activity to keep securities at Depository, and for the cases of assignment of these losses to Broker's responsibility, the Broker does not bear any responsibility and the Client shall not require penalties or compensation for the losses and damages arising from login and password errors and renderings made on Depository due to these errors and shortcomings and the Broker shall make corrections on these errors.
- iii. The Client agrees to accept any kind of dividend and interest payments on investment tools set by Broker on behalf and at the expense of Client, as well as Broker does not bear any responsibility in respect of taxes levied on dividends, the Client accepts to immediately pay the costs associated with securities and the Broker accepts not to be obliged to conduct trade operations with Broker's personal funds on behalf of the Client.
- iv. In spite of shortage of funds on his account, the Client accepts to pay the Broker debt and other expenses in case of acquisition of additional securities of organizations in proportion of shares the Client holds at these organisations.
- v. The Broker has the right to refuse depository services of securities at any time.

- vi. The Broker does not bear administrative or legal responsibility for securities which might be false, forbidden or stolen given for physical implementation of transaction within the framework of sales order, and bought to keep by Broker acting on behalf and at the expense of Client or bought by other Brokers.
- vii. The Client accepts that Securities given for pledge to the Broker could be returned back with not the actual existing price, but in times of this price and the securities submitted to Broker will not be required the same saving requirements for Broker and Depository, physical delivery of securities will not be impossible during the execution of these orders if the physical implementation is not accomplished.
- viii. Securities that are kept separately by Broker and depository are not insured and the Broker does not bear any responsibility for insurance fees and other type of expenses if special insurance of securities is required.

Broker has the right for pledge over securities kept at Depository, until the full payment of its debts is made by the Client upon the Broker within the framework of this Agreement and the relevant legislation of financial market. At the same time, Broker has the right to sell securities on which he holds a right to pledge with the value not less than its market value and write off the profit obtained by the sale or transferring of these securities to its ownership.

#### Article 12

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### Expenses, Commission and taxes

**The Client bears responsibility to pay commission agreed by the parties to the Broker for appropriate volume of purchase and sale transactions in financial markets.**

The Broker may change the commissions charged on the Client in accordance with the existing legislation at his personal discretion. In this case the Client holds the right to terminate the Agreement. The Broker notifies the Client about this change and if the official objection is not made within 7 (seven) days from the date of receipt regarding this notification, during this time if the next order has been made then the change is considered legally valid.

The Client is responsible for payment of all type taxes and other liabilities levied in or outside of the country when trading with financial instruments in or outside the country.

On the basis of this Agreement, all types of payments and service fees arising from the execution of Client's trade orders by Broker and other third parties shall be paid by the Client. Client is obliged to pay all types of payments and charges for services provided by the Broker or other third party on execution of trade orders. The Broker has the right to apply these charges to Client's account or freeze the funds directly on the Client's account.

#### Article 13

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### Informing Clients

The Client has the right to be informed on operations carried out on his accounts.

Monthly account statement on the Client's account reflecting all trade operations within a



calendar month can be sent to Client's email specified in the Client's Survey within the 7 working days on the base of Client's request upon the end of the month. The statement sent reflects the operations carried out on the current account, as well as a complete list of orders given on the sub-accounts.

All the statements and notifications sent to Client's email specified on the Client's Survey are considered as legal evidence between the parties like the official letters sent to residential address.

Clients with no operations undergone on their current and sub-accounts may not receive statements on their accounts.

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#### Article 14

### Joint accounts

Joint accounts shall be accepted as equally divided shares in the case if the shares of shareholders and the ratios regarding these shares are not notified. All the orders on the account given by any shareholder shall be applied to all accounts unless the Broker is not notified regarding their share. Broker has the right to execute joint orders upon a request of one of the account holders without any consent of other shareholders. All the account holders accept this provision unambiguously.

The Broker taking into consideration the right of the owner of the account to dispose the account, will execute the corresponding orders. Owners of joint accounts shall give trade instructions and perform operations without consent of other owners of the account. All owners of Joint accounts accept and understand that, the Broker doesn't bear any material and legal liabilities for possible damages and losses they may suffer in the form of full or partial loss of means or a share in the joint account.

Joint account owners accept the fact that the Broker has the right to freeze, withdraw and transfer liabilities and commitment arising during the joint account operations upon other persons if the objections regarding these accounts are not made.

Detailed statements of operations, payments made from accounts, statements of profit of joint account owners or other third parties that are sent to the address specified by the Broker in this Agreement, shall be considered as sent to all persons who have any interest in the joint account. Account owners understand and accept that, there is no need to provide the corresponding letters, notifications and statements to each account owner separately and that the receipt of notifications on these accounts by one owner is sufficient.

If the Broker is not notified with the contrary notification in a written form, then one of the joint account owners is a representative for all account owners and represents general interest of account owners when notifications on profit and loss are received.

## Article 15

## Execution of interactive operations

The Client will be able to use the right to carry out trade orders on securities on which corresponding trading instructions will be conducted via internet.

The Client shall submit all the documents required by the Broker in order to receive uninterrupted internet services, shall have computer, modem, telephone lines and other technical means with sufficient technical features with ability to provide access to internet services, as well as software compatible with the terms of trading system proposed by the Broker. The above mentioned are pre-conditions for trading via Internet and by signing the Agreement, the Client requiring the password to be sent to his email accepts to possess all these. The Client is fully responsible for partial or total absence of its Internet and the lack of appropriate technical means.

The Client accepts the following conditions on trade operations to be carried out with the Broker, along with provisions specified in the Agreement.

- i. The Client shall not share the passwords received from the Broker and the number of sub-accounts and shall not let them use by other persons. Trade orders given on the Client's account by other persons shall be treated by the Broker as trade orders given by the Client.

The Client is obliged to inform the Broker in case of theft or forced acquisition of sub-account number and password as other cases like this. The Broker shall take all the necessary measures in the short time for protection of the Client account against the use by others. The Broker shall accept all the orders made on the Client's account unless the information on the theft of Client's account has been received.

- ii. In the case of error in the Internet or other information systems of the Broker, the Client shall inform the Broker about his orders with alternative means of communication. The Broker is not responsible for errors in information systems.
- iii. On the basis of this Agreement, the Broker accepts to send all the notifications and statements executed on the Client's account via the means of electronic communication and the Client accepts that these notifications and statements are legally valid for the Client.

The Broker is not responsible for technical and other issues that do not have the authority to intervene directly, for the failure to execute Client's orders via internet, for execution of orders in the wrong way and etc.

Computer records saved in connection with trade orders given in the electronic form shall be accepted as Client consent and in the case of discrepancy between the Broker records and this data, Broker records shall be accepted as a final evidence.

The Broker does not bear responsibility for abuse of internet services by him and other parties which obtained an access for internet services with a specified password.



## Article 16

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### Operations on foreign exchange and financial markets

In addition to provisions of this Agreement describing the case of buy-sell operations carried out on behalf of Client by the Brokers on foreign exchange and financial markets the following clauses shall be applied:

- i. The Client agrees and accepts that, the Broker is completely independent at a choice of representative authorized body on foreign exchanges and that his trade orders shall be carried out by authorized body in financial markets.
- ii. The Client agrees and accepts that, the Broker does not bear any responsibility for the damages arose by wrong decisions, bankruptcy and recommendations, actions and inactions taken by foreign Brokers.
- iii. The Client agrees and accepts that the Broker independently cooperate with authorized depository and clearing centers in order to provide the execution of buy-sell operations in accordance with the relevant regulations, foreign exchange representatives may obtain depository and clearing services from the third parties based on their choice and that the Broker is not responsible for the damages arose by wrong decisions, bankruptcy and recommendations, actions and inactions taken by foreign exchange representatives.
- iv. The Client accepts to pay the Broker commission, taxes and other expenses arising from the local and foreign legislative requirements on execution of trade orders, and that depository and clearing center may charge commission for the relevant operations at their discretions. Broker shall transfer these amounts paid by the customer to organisation charging the relevant costs. The Client is obliged to provide the specified amount of funds determined by Broker on his account in order the Broker could meet expenses on trading with financial instruments.
- v. The Broker will provide the Client with notification to execute transaction after the receipt of confirmation associated with the execution of transaction in the foreign financial markets.

## Article 17

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### Restriction on responsibilities

The Broker is responsible for the losses directly faced by the Client if the Broker is being subject to obligations. The Broker does not bear responsibility for the moral damage caused to Client and against the damages caused by third parties.

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**Article 18****Evidence verdict**

During the execution of trade orders and all types of disputes between the parties, Broker's telephone, electronic information systems or Broker's records in the internal accounting system related to orders which are being accepted officially by the Broker and notifications sent to Broker via email, telephone and other means have the final verdict of evidence.

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**Article 19****Term contract**

This Agreement is signed for an indefinite term. The parties to the Agreement as a mutual or one sided may terminate the Agreement having sent the official notice to the opposite side in 15 days in advance. The termination of the Agreement is realised by the execution of mutual obligations of both parties within the framework of conditions specified on the Agreement regarding to transactions carried out between the parties prior to the date of termination of the Agreement.

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**Article 20****Amendments to the Agreement**

Broker has the right to partly or completely change any clause of the Agreement with a condition not to contradict the requirements of legislation in financial markets. The Client shall be given notifications on amendments made via email or SMS. Amendments to the Agreement shall be applied from the date specified in notification.

Amendments shall be considered to have been accepted if any objection is not made by the Client in relation to these changes within 7 days from the date on which notification sent to the Client. Having not agreed in regarding the changes between two parties within 7 days provides a basis for termination of the Agreement.

On the basis of bilateral legal relations, and during the execution of this agreement by the Broker, the Client understands and confirms exclusive right of Broker with his signature on a voluntary basis to unilaterally change and make additions on the Agreement or all of its clauses and amendments to the Agreement signed between the parties.





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**Article 21**

## Execution place of Agreement

The execution place of all kinds of mutual liabilities regarding the Agreement is the Broker's actual address where the current account opened.

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**Article 22**

## Address for providing electronic and other notifications

The actual address of the Broker is the address where notifications are sent by Broker and specified on the signature part of the Agreement.

The actual address of the Client is the address where notifications are sent by the Client and specified on the signature part of the Agreement. The Notifications sent to this address regardless of whether the Client has accepted or not are legally valid. In the case of Broker has not received any notification regarding the change of the actual address of Client, then the actual address of the Client shall be considered as the address specified on the records of Broker.

The Broker can send the notifications about the Client via SMS and email specified in this Agreement and he accepts that these notifications are legally valid.

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**Article 23**

## Settlement of disputes

If the parties cannot reach an agreement in resolving disputes arising from the interpretation of the content or the application of the Agreement, then the relevant decisions of the court and regulatory authorities is the final legal binding for parties.

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**Article 24**

## The wrong records made on the Client account

The Client accepts that errors arising from the records made accidentally and without any basis on the Broker's account shall be eliminated by the Broker without any notification sent to Client and Client's liability could arise upon the Broker in the amounts of funds realized as a result of the Client's incorrect operation, also the Client undertakes to compensate completely the losses suffered by the Broker by the time of execution and to fulfill other obligations arising from the legislation in time.

Article 25

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## The applicable legislation

In case of discrepancy of provisions and clauses of this Agreement with the legislation in the corresponding field of activity, then the legislation requirements shall be applied. The provisions not reflected in this Agreement will be regulated according to the legislation.

Article 26

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## Other provisions

Having completely read this Agreement, the parties, accept and recognize that, there is no need to sign each page separately and agree with the all clauses and provisions specified in this Agreement.





FUTRs  
OPTs

Section:

# TRADING DERIVATIVES

## RISK NOTIFICATION ON DERIVATIVES

You may encounter the risk of loss, along with making profit as a result of trading with derivatives. Therefore, it is strongly recommended to carefully estimate your financial capacities and capital limits, as well as to understand the risks you can face. For this reason, the following provisions of the Agreement should be carefully read, within the framework of appropriate legislative requirements.

1. The account to be opened upon the Broker and trading operations with derivatives over this account shall be applied the provisions of the normative legal documents and acts of the appropriate legislation.
2. Trading with derivatives involves various risks. Price changes on Exchange may lead to the total loss of your assets on the account upon the Broker, as well as your losses may exceed the total size of your margin level.
3. In order to trade with derivatives, for each trading transactions you have to place Initial Margin on your account upon the Broker at least in the amount specified by Exchange.
4. "Margin Call" notifications sent by a Broker to the Client shall be provided in time and in a required amount by the Client, otherwise a Broker will close the appropriate transaction at the market price and at the expense of the Client account without any additional notification.
5. The Board of Directors of Exchange has the right to determine the term and change the specified term of the futures and options Agreements within the framework of appropriate legislation.
6. In case of your option rights are not realized by the end of the term of transaction then you may limit your risks with option premium, commission and other charges in addition to it.
7. The Client may encounter the risk of loss in the amount several times higher than the premium for options as a result of price changes in a reverse direction during the sale transactions on options. You do not have the right to intervene in any way when it is required to realize your obligations on the sale of options at the end of the transaction. In other word, sale of options can be productive only for those investors with sufficient investment opportunities.
8. There are several types of options and before you begin to trade with these securities you should get the information about the compliance of your investment opportunities with this type of trading.
9. There can be cases where Client orders may not be executed, because of strong volatility, low liquidity and abnormal price changes on Exchange.
10. On the Exchanges where futures and options Agreements are traded, trading with the Agreements for difference (CFD) as an underlying asset of these derivatives may be less risky than the terms of futures and options transactions.
11. The Client shall take into consideration that the leverage provided in Margin trading may result in favor of and against the Client which means that the terms of the Margin trading may cause high profit along with losses.
12. In the case if the volume of your account approaches to the minimum ratio of margin level specified by the Broker, then your orders may not be executed except for the orders opened in reverse direction.
13. Your account may be classified as risky by Exchange, if price on Exchange changes to the

degree that could detriment on your positions. In this case, it could be impossible to give passive trade order (pending order) to Exchange.

14. The information and recommendations provided by the Broker about the orders on derivatives may be missing and in need of approval.
15. Any type of analyses related to the purchase and sell of options and futures Agreements may be different depending on the position of those persons who prepared these analyses and probability of assumptions given in this analyses that are unlikely to realize shall be considered.
16. You have to take into account that there is a currency risk on derivatives which are expressed in foreign currencies, along with the risks mentioned above, that additional losses might occur as a result of changes in exchange rates, tightening of exchange rate regime in the country of foreign currency and regarding this obligations are prone to arise, as well as possibility of the cases where buy-sell orders may not be realized in time.
17. The client is obliged to obtain information on all types of commission and expenses that shall be subject to Client obligations regarding to appropriate transactions of Invest AZ Limited. The client should be familiar with the written statement in a sample form regarding how these expenses could be applied to obligations if these commission and expenses are not expressed in money.

This risk notification in securities market is designed to generally inform investors about potential risks and may not cover all the risks associated with buy and sell of securities such as futures and options. So, you should carefully research appropriate investment before investing your capital into these types of investment instruments.

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## COMMISSION

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Commission is a fee, remitted to Broker in  % volume of the calculated last agreed price of each transaction that is realized by the end of the operation term as a result of trading derivatives.

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## GUIDANCE ON ELECTRONIC PAYMENTS

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To the Management of Invest AZ Limited

Within the framework of the Agreement signed between me and Invest AZ Limited, I accept (agree) on the following: transfer the funds to the account with the open trading transactions, or by means of other Trading or Currents accounts, opened upon Invest AZ Limited in case if transfer of additional funds is required; authorization of Invest AZ Limited to execute such transfer operations without any consent of mine; physical transfer of securities in case if back payment is required.

Personal data: Provided in the Consumer Agreement Form.



AZ

IN

OR



## Article 1

### Parties

Invest AZ Limited (Further called "Broker") Level 1, 11 Alma street, Auckland, 1023, New Zealand and

(Further "Client")

**Personal data: Provided in the Consumer Agreement Form.**

## Article 2

### Explanation of terms

- **Derivatives:** Futures and options Agreements traded on appropriate Exchange
- **Futures Agreements:** It is a standardized exchange Agreement that represents an obligation to sale or purchase financial instruments, commodities, precious metals or currency in a prespecified volume (or size) and price.
- **Options Agreement:** Option is a derivative, providing a right for buyer to buy or sell any underlying asset at a specified time, in a prespecified price and amount, and while an option seller is obliged to execute such transactions.
- **Buy order:**
  - a. Buy order on futures Agreements provides an obligation to buy the underlying asset for a price and volume specified in the Agreement.
  - b. For option Agreements,
    - i. Depending on the peculiarities of call options, buy order expresses the right to buy an underlying asset on the date of transaction or within the period until the respective date, with a price and volume specified in the Agreement,
    - ii. In put options, buy order expresses the right to buy an underlying asset on the date of transaction or within the period until the respective date, with a price and volume specified in the Agreement,
- **Sell order:**
  - a. In futures Agreements, sell order expresses an obligation to sell an instrument with a price and volume specified in the Agreement,
  - b. For option Agreements,
    - i. In call options, sell order expresses an obligation to sell an underlying asset on the date of the transaction or within the period until the respective date, with the price and volume specified in the Agreement,

- ii. In put options, sell order expresses an obligation to buy an underlying asset on the date of the transaction or within the period until the respective date, with the price and volume specified in the Agreement,
- **Option premium:** It is a commission arising when the buyer is obliged to pay the seller within the terms prescribed in the Agreement.
  - **Selling price:** In option Agreements, it expresses the price to be used for buy and sell rights of the instrument provided in the subject of the Agreement, within the term of the Agreement or at the end of it.
  - **Daily agreed price:** It expresses the price which is specified by exchange and used in updating of accounts at the end of day, within the framework of trading rules of appropriate exchanges.
  - **Last agreed price:** Within the framework of trading rules of appropriate exchanges, it expresses the price which is specified by exchange and used during the execution of trading orders at the termination of the Agreement.
  - **Hedging operation:** Within the framework of trading transaction, it expresses buy order in exchange for sell order and sell order in exchange for buy order.
  - **Buy order:** It is an oral or written trading instruction given to the Broker by the Client via telephone and communication systems to buy financial instruments.
  - **Sell order:** It is an oral or written trading instruction given to the Broker by the Client via telephone and communication systems to sell financial instruments.
  - **Order:** It is an order to buy or sell financial instruments.
  - **Termination cost of orders:** Any type of commission charged by exchange regarding the trade of derivatives.
  - **Commission:** It is a fee on which the Client has obligation to pay the Broker in exchange for any type of transactions regarding the trade of derivatives.
  - **Exchange:** It is an organisation on which derivatives trading are carried out.
  - **Clearing Center:** It is an organisation that specifies mutual obligations of the parties on trading operations, executed by exchange.
  - **Rules of Exchange:** The terms of execution of trade transactions, confirmed by the FSP of New Zealand.



## Article 3

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### Subject of the Agreement

Client's trading with derivatives expresses buy-sell transactions on the relevant financial asset carried out by the Broker on behalf of the Client.

## Article 4

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### Important notes on trade orders

Broker develops "order form" on the basis of orders received by Client. If trade orders are given to Broker in a written form, then Client shall sign the order. Trade orders received by the Client via telephone or orally is brought into a written form without a signature of the Client in time of receipt of these orders. It is important to note the followings on trade orders given by the Clients:

- Order number,
- Buy or sell direction of order
- Type of order (futures or options order)
- Buy and sell direction of option orders
- Counter order or new position (NP)
- The number of orders
- Content of order
- Price and order type
- Validity period of order
- Trading session at which an order is given
- The account number of Client
- Date and time
- Client's signature with name, surname and address
- The name, surname and signature of Broker's representative
- Market, exchange and the clearing organisation.
- The currency on which financial asset is denominated (if different from the currency of funds in account).

## Article 5

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### Volume and price of trade orders

Client may determine volumes personally with sale and purchase prices on given orders as well as authorize broker in this issue. Sale and purchase prices may be determined as "market price", "limit price" or "close price". If these features are not indicated on orders then Broker shall be authorized freely.

Sale and purchase prices on trade orders can be defined as follows:

- i. Market order.** Sale or purchase order executed at the best possible price.
- ii. Limit order.** The type of order defined by the Client for stable realization of buys and sells orders. On buy limit orders trading can be executed at market price or lower, while on sell limit orders at market price or higher.



- iii. **Close order.** A trading order executed with reconciliation price at the end of trading session. After the determination of reconciliation price, close orders are compared with the close orders on the opposite side. After comparison of close orders on buy and sell directions, remaining orders are compared with normal session prices which are close to reconciliation price.

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## Article 6

### Sending orders

Broker executes trade orders that are not confirmed in a written form and given by the means of communication, at the Client's own discretion. When orders are executed via telephone, trading rules of Exchange shall prevail.

The Broker takes every possible measure to place trading orders of Client on Exchange. However, the Broker shall not bear responsibility for the failure to execute trading orders of the Client partly or completely, for the reasons not depending on his will.

The Broker shall be responsible for the losses on the account of the Client in the case if it is applied to the Broker's obligations.

The Broker shall have the right not to accept trading orders of the Client partly or completely. In this case, Broker shall inform the Client or Client's representatives about the respective cases.

Broker shall have the right not to accept trading orders of the Client that could involve risks in the case if the placement of margin level required within the framework of the Agreement and trading rules of exchange has not been performed by the Client on the appropriate date.

Broker shall have the right not to accept trading orders of the Client that may exceed operational limits specified by Exchange.

Broker shall have the right not to execute trading orders of the Client, in the case if the members of exchange receive the decision of the Board of Exchange not to execute respective trading orders

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## Article 7

### Provision of trade orders through electronic means

In his operations carried out between the Broker, Client shall accept the following terms along with provisions given on the Agreement in order to provide execution and send orders via electronic means without applying to Broker in a written form:

- i. The client shall ensure confidentiality of the account number and password given by the Broker to detect an access to electronic means in order to execute trade orders via these means. Otherwise, all types of transactions carried out on behalf of the Client by the third parties using his appropriate account number and password shall be considered as transactions carried out on the Client's will. The Broker bears no responsibility for any type of losses that may arise on the Client's account as a result of these transactions. The Broker shall limit the use of the same password as soon as possible, in the cases when broker is



informed that the password is given to the third parties, theft or abused.

- ii. The Broker may accept the Client's trade orders via alternative electronic means or in a written form, if the errors arise on telephone and electronic means.

The Client agrees and accepts the transmission of account notification and reports via electronic means and that the notifications sent in this way would be legally valid.

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#### Article 8

### Execution period of orders

The Client determines execution period of trade orders given to Broker, with any of the following options. The orders with a certain period are legally valid only for the given trade session. Trade orders shall be deemed to have lost the right to execute automatically at the end of the specified period of these orders.

It is important to choose the following options in the system of given orders, when the orders are made:

- **Session order (SNS):** This type of order shall be entitled for execution on the given trade session. These types of orders are terminated automatically unless not executed by the end of the session.
- **Daily order (GUN):** This type of trade orders is entitled for execution on the given day. These type of orders are terminated automatically unless not executed by the end of the day.
- **Active order up to liquidation (IKG):** These types of orders are entitled for execution from the date of their launch up to liquidation.
- **Pending order (TAR):** These type orders are entitled for execution by the certain date. These type of orders are terminated automatically at the end of pre-defined date if not met or terminated by that date.

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#### Article 9

### Execution of orders, conduction of notes on behalf of the Client and account update

Client accepts that the provisions reflected in this Agreement and trading rules of Exchange regarding derivatives trading shall be applied on the Client's account.

The realized operations are reflected in the appropriate statements by the Broker. The data of these statements are saved in electronic data carriers in an alternate way.

The notification on the realized operations shall be sent to the Client no later than the end of the trading day. Report notifications on the operations carried out on the same day shall be sent to the Client based on the specific identification number, along with indicating direction

of the appropriate operations, volume, open and close prices, as well as commission and other expenses applied to the Client.

Derivatives that are bought and sold on exchange are registered by the Broker in accordance with the Trading Rules of Exchange.

Trading orders on futures and options given on Exchange are regularly updated by the Broker at the market price and these data are permanently reflected on the Client's account. Profit acquired as a result of price change of derivatives on the Client's balance sheet shall be realized if the Client sells securities back and shall be withdrawn or transferred to other sub-accounts or returned to the same sub-account if Client transfers respective profit from sub-account to current account. Losses arising as a result of trading with derivatives by the Client shall be reflected on the Client's Account by the Broker.

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#### Article 10

### Commission and expenses

Client is obliged to pay appropriate commission to Broker in return of every trade operation under the terms of the Agreement. The Broker has the right to take the mentioned commission from the appropriate Client's account with no need for confirmation or additional notification given on the moment of execution of a trade operation.

The Broker may change commission proportion applied on the trading operations of the Agreement at any time at his own will and launch its execution after 30 days and yet maintaining the right to terminate the Agreement by this date. In the case of termination of the Agreement, paragraph 21 of this section shall be applied.

Any type of trading operations with derivatives specified in the Agreement, as well as Clearing and Depository service fees shall be paid by the Client.

The Client is fully responsible to meet financial obligations for trading transactions regardless of nature.

The Client accepts that tax, commission and other expenses arising from trading operations shall be applied on the Client's obligations.



## PROVISIONS REGARDING MARGIN AND EXCHANGE

### Article 11

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#### Operating Margin

The Client shall place the collateral amount calculated on the basis of transaction value on the relevant account upon the Broker in order to ensure execution of obligations on futures and options.

Collateral amounts are calculated on the basis of Trading Rules of Exchange in accordance with the value of transaction.

Provisions to be submitted to the Broker are calculated and submitted in proportion to the value of transaction. These provisions are submitted to the Broker with the passage of exchange right of collateral to the Broker, in accordance with Trading Rules of Exchange and trading terms of the relevant derivatives.

### Article 12

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#### Initial Margin

Client is obliged to place initial margin level, calculated in accordance with the terms of trading with derivatives and appropriate Trading rules of Exchange on the relevant Client's account upon the Broker in return for positions on derivatives trading.

### Article 13

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#### Operating margin and margin call

Client shall provide availability of operating margin on the account in return of open positions within the terms of derivatives trading and appropriate Trading Rules of Exchange. As a result of price change on Exchanges, the funds on the Client's account may be lower than the margin cost of open positions; in this case Broker shall demand from the Client to place additional funds on the account in order to save margin level. Therefore, the Client is obliged to execute respective margin call by the time specified by the Broker.

Margin call shall be sent to the Client by electronic or other means of communication. This margin call shall be considered legally valid from the moment it has been sent to the Client with the funds mentioned above irrespective of acceptance date of margin call.

The Broker may demand the Client to place additional margin on his account as a result of possible changes of trading rules of Exchange or in case of emergency. In this case, the Client is obliged to place the appropriate additional margin on the date specified by the Broker.

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**Article 14**

## Funds to be considered as operating margin

Admission of cash and non-cash funds as operating margin is regulated by Trading Rules of Exchange and this Agreement. The Broker may require margin higher than the minimum margin level specified in Trading Rules of Exchange for the appropriate order.

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**Article 15**

## Closing trade position by reverse operation

Broker may close open trade orders partly or completely by opening reverse operations without a further notice or a need for approval in the cases where the Client cannot fulfill its obligations on margin call in time. The Client is obliged to pay all the debts to Broker arising when the Broker cannot close trade position or doing so with the help of reverse operation. The Client is obliged to provide the necessary support to Broker in order to liquidate its assets into cash.

The Client shall be deprived of the right to authorize on his relevant account if he cannot meet obligations on margin call within the framework of Trading Rules of Exchange and trading terms of derivatives. At the same time, in such cases, additional costs on the transfer of open orders to the next day are incurred in the Client's liability. The Broker may close open trade orders by opening reverse operations or use of non-cash funds to meet appropriate obligation, if the Client cannot fulfill its obligations on margin call in time. The Client is fully responsible for dangerous situations arising when the Client cannot meet obligations on margin call in time. Any changes and additions to be applied on trading terms of appropriate derivatives and Trading Rules of Exchange are applied to the Client from the date of authorization of these changes.

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**Article 16**

## Maintenance of Funds

Margins regarding open trading transactions are kept on the account upon the Broker or at the relevant depository by the end of the operation and a proper data regarding these margins are shown on the relevant accounts.

## OTHER PROVISIONS

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**Article 17**

## Notifications

"Client Account Statement" and "Statement on operations carried out with derivatives" are submitted to the Client in the agreed way and terms. Any type of notification sent by the Broker, account statement and comments on the report on operation results and requirements of revise shall be sent to broker immediately upon the receipt of these information's from the Client. The contact address of the Broker is the legal address specified on the state registration of the Broker or an actual address stated on social communications means. The contact address of the Client is the address stated on the Consumer Agreement Form of this Agreement. All reports and notifications sent to Client's address agreed between the parties shall be legally valid within the



term when written notifications are not submitted due to changes made on the Client's address.

Broker is not responsible for losses arising from the activities of third parties which offer mail, internet, courier and insurance services.

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#### Article 18

### Risk and profit preferences, risks on derivatives trading and evaluation of the Client's available funds

Client's preferences on risk and profit, his investment objectives and data regarding financial position are provided in the Consumer Agreement Form. As the Client has not informed the Broker with any kind of changes regarding the data provided in this Agreement in the written form, then the data provided in the Agreement shall be considered legally valid. The Client has been informed about the risks associated with derivatives trading and the terms on this notification have been accepted by the Client. The Client accepts and declares to trade with derivatives based on the terms of this Agreement and study and sign the Agreement on his own will. The Client accepts and declares that the Broker shall not bear any responsibility for the error occurred on the Trading System of Exchange, and Broker's own capital and funds shall not be used due to the errors occurred in Depository and Clearing organisations.

The Client shall be personally responsible for the execution of obligations on the commission and tax. The Client accepts and declares that it would not have any claims against the Broker if the Client is not able to pay his funds back and in the case if the bank or third party at which the Client opened account to trade with derivatives fails.

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#### Article 19

### The right to dispose of the account

Broker has the right to mutually exchange Client debts and receivables without a need for approval due to the fact that debt and receivables arising as a result of trading on derivatives carry similar meaning. The Broker shall have the right to freeze the right of disposal of Client on behalf of the Client on his Depository account and on the account upon the Broker, until the full payment is made for the debts arising from transactions executed within the framework of this Agreement.

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**Article 20****Evidence verdict**

The orders received from the Client orally or in a written form through information systems shall be entitled to final evidence within the trading rules of Exchange. Margin call sent by the Broker either directly or in electronic form shall be entitled to final evidence between the parties.

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**Article 21****Term contract**

This Agreement is signed for an indefinite term. The parties to the Agreement may terminate the Agreement unilaterally having executed mutual commitments fully and sent the written notice to the opposite side in 15 days in advance. Client's cash and securities shall be sent to the Client in accordance with the Client's orders in the case of termination of the Agreement. During the termination of the Agreement, the terms of this Agreement shall maintain its legal validity until the risks arising from market price of securities accomplishes and liabilities are fully paid.

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**Article 22****Representation**

The person who is officially authorized or given a power of attorney by the Client shall have the right to give order and instructions on behalf of the Client within the framework of legislation. It is accepted that representatives shall have the rights of Clients, if the opposite is not clearly agreed between the parties. The Broker shall accept representative as full-fledged representative of the Client with special authorities unless the relevant notice regarding any changes on representative rights and authorities is not sent to Broker.

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**Article 23****Execution of transactions on foreign Exchanges**

Broker shall execute buy-sell operations of derivatives and other financial instruments on foreign Exchanges in accordance with trading orders and instructions of the Client on the Client's account and on behalf of the Client by means of the accounts upon local or foreign banks and Brokerage organizations within the framework of the relevant agreements signed between Broker and respective Brokerage organizations. Securities and other financial instruments acquired on the operations, executed in accordance with the Client's instructions on foreign Exchange shall be kept in relevant banks, Brokerage organizations and Depositary. The Client accepts and declares that the Broker bears no responsibility for the losses incurred as a result of errors on foreign exchanges, foreign banks and Brokerage organizations, despite the various initiatives to eliminate relevant errors that fall outside of Broker's authority. Execution and sending trading instructions regarding buy-sell operations, execution on foreign Exchanges, transfer of financial instruments, currency security, cash-out, commission, expenses and payment of taxes shall be executed under the terms of interior trade rules of relevant Exchanges. The Client confirms unconditional acceptance of these provisions when giving trade orders on foreign exchanges.



In addition to commission and expenses applied by the Broker to the Client's account, all types of expenses, commission, interest and tax that could be incurred on the Broker's obligations by Broker and Depository service representatives for the operations, shall be paid by the date of execution in cash or via transfer as well as, the Client accepts and declares that these expenses shall be written off the Client's account.

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#### Article 24

### Joint account

Each of joint account owners shall be authorized to give any type of orders and instructions on the Client account without a need of any oral or written consent of other partners unless the opposite is not sent to Broker in a written form. Each of joint account owners is fully responsible for execution of obligations arising from the terms of the Agreement. Execution of Broker's liability by any joint account owners exempts the Broker from any obligations against other partners. Full execution of obligations by each of joint account owners against the Broker exempts other partners from obligations as well.

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#### Article 25

### Non-working days

Weekends and holidays on which foreign and local exchanges do not operate, as well as holidays and vacations which were declared by the Broker in accordance with its annual action plan and necessary working conditions shall be considered as non-working days when orders and instructions on Client's account are not accepted. The Broker determines its daily working hours independently in accordance with its will and discipline and informs the Client about this via written and information sources of the Broker. The Broker has the right not to execute orders and instructions of the Client at non-working hours. The Client accepts not to claim any requirements against the Broker at times when Broker is closed for service due to important reasons, such as appropriate inspection, control, sanitary-hygienic works, as well as technical break associated with troubleshooting.



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**Article 26**

## The applicable legislation and amendments to the Agreement

The terms of this Agreement are implemented along with Trading Rules of Exchange and the rules of trading on Derivatives on which the Client trades. The requirements arising from Trading Rules of Exchange shall be applied against the cases that are not reflected in this Agreement. Any changes and additions to be made on Trading Rules of Exchanges shall be applied without a necessity to inform the Client about these changes and additions. The provisions of this Agreement may be changed unilaterally by the Broker by informing the client of these changes with the condition to preserve the legal validity of other provisions in the Agreement regarding the changes to be made on Trading Rules of Exchange and the rules of trading on derivatives. In the case of termination of this Agreement, 21-th article of this section of the Agreement shall be applied.

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**Article 27**

## Settlement of disputes

If the parties cannot reach an agreement in resolving disputes arising from the interpretation of the content or the application of the Agreement, then the relevant decisions of the court and regulatory authorities is the final legal binding for parties.

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**Article 28**

## Other provisions

Having completely read this Agreement, the parties, accept and recognize that, there is no need to sign each page separately and agree with the all clauses and provisions specified in this Agreement.



Section:

# MARGIN TRADING



CMDTs  
CFDs  
FX

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## RISK NOTIFICATION ON MARGIN TRADING

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You may encounter the risk of loss, along with making profit as a result of Margin Trading. For this reason, before starting Margin Trading your risk capacities shall be taken into consideration.

### Risk Notification

Along with the provisions provided in the terms of this Agreement signed with Broker who shall execute your trading operations, the following risk factors shall be taken into account:

- Requirements of legal normative acts issued by the FSP of New Zealand shall be applied on trading and transfer operations, executed on the Current account as well as on Trading account upon the Broker.
- The Nature of Margin trading operations is considered to have a high risk level. For leverage reasons, execution of trading operations with low margin level may result in favor, as well as against of the Client. Margin trading rules along with high profits may lead to considerable losses. The Client may encounter the risk of loss of funds on the relevant Trading account upon the Broker as a result of price changes in the reverse direction. The Client should consider his limitations on risk while hoping to get high profit.
- The Client shall take into consideration that data and recommendations for execution of trading operations as well as information about price movement may not be reflected on Exchange and may be in need of approval.
- The results of the analysis regarding Margin trading are based on the analysis of individuals according to their personal assumption; however, the future aims given in the data may not be realized.
- Along with above mentioned, the Client may encounter the currency exchange risks arising as a result of trading operations that are executed in financial instruments in foreign currency. As a result of fluctuation on exchange rates, there may occur considerable decrease in the results of operations or increase of general loss value. In addition, other risk factors may involve limitation on capital flow and state foreign investments, amendments to tax system and changes to the execution term of trading operations.
- Prices and spreads provided on financial instruments may differ in accordance with the Broker's trading system and business criterions. Therefore, the Client shall closely get familiar with trading rules of financial instruments he uses.
- Before starting trading the Client shall get the information on commission and expenses applicable to Client's obligations. In case if these commission and expenses are not expressed in money form the Client shall have to get familiar with the detailed information regarding the form of relevant expenses to be applied on the Client's obligations.
- The Client shall understand the groundlessness of the cases when any companies ensure the Client about non-risky operations, promise to manage the Client's risks of loss which may arise as a result of trading operations and not demand increase of margin level.

Risk notification on Margin trading aims to inform investors about existing risks and may not cover all the risks regarding the trade of investment instruments. So, you should make an accurate research on the relevant investment before making orders for this type of financial instruments.

## AGREEMENT ON ACCOUNT STATEMENT

On the basis of the Agreement signed with the Broker, the report and an extract from accounts on the following operations will be provided to the Client: trade operations carried out on agreed periods, reports on a number of operations and their price, profit and loss results of trade operations, a situation with possible profit and loss in open trade positions, cash, securities, and all other means of Client's movements, all kinds of commission and expenses belonging to Client's account as well as, the statement on information of provision of open trade positions.

- I ask you to send the statement on my account to the email specified on the consumer agreement form.

## THE NOTIFICATION REGARDING THOSE WHO TRADE ON BEHALF OF A LEGAL ENTITY

I accept to execute margin trading operations on the account No \_\_\_\_\_ upon a Broker in my own name and by my own means.

To inform the Broker about a third party at whose expense I trade with the account No \_\_\_\_\_ upon a Broker in my own name and at the expense of someone else

In case if mentioned above obligations are not executed or executed improperly I shall have the right to terminate the Agreement unilaterally or not to accept trading orders without a need of notifying a Broker.

Along with mentioned above I accept the risk of criminal and material responsibility within the framework of legislative requirements which may arise in case of attempts to hide personal information of a third party, at the expense of whom trading shall be carried out.

**Personal data: Provided in the Consumer Agreement Form.**



AZ

IN

OR



## ONLINE TRADING PLATFORM USER PASSWORD

In order to carry out marginal trading operations on your account upon the Broker and manage your account with trading platform, your password shall be sent to your mobile number provided on the Consumer Agreement Form on your request via SMS and to your Email after signing signature section of this appendix below.

The password will be sent to you is designed to access trading system for the first time and you can change this password to suit your needs. For security reasons, it is recommended to ensure confidentiality of your password. You are responsible for all the cases that may arise as a result of use this password by third parties for malicious purposes or not being necessarily ensured the confidentiality of your password. If you face any difficulties in accessing the trading system, then you can benefit from our technical support service.

## ONLINE TRADING PLATFORM PASSWORD REQUEST

To the Management of Invest AZ Limited

I ask you to send my password of Online Trading Platform via SMS to my mobile number which I mentioned in the Agreement and appendices of this Agreement.

**Personal data: Provided in the Consumer Agreement Form.**

## NOTIFICATIONS ON MARGIN TRADING OPERATIONS

Within the framework of Brokerage agreement on Margin Trading the Client shall be sent the followings within 7 business days from the last date of each month; date, time, price and volume reports of trade transactions carried out within the month, profit and loss results of closed trading operations, current profit and losses of open trading operations, the results of movement of Client's cash, securities and other financial assets on account upon the Broker, all kinds of commission, tax and other expenses applied to the Client's account, as well as monthly report and account statement on margin position of open trading positions.

- I ask you to send the statement on my account to the email specified on the consumer agreement form.

## MARGIN

### ■ Leverage

I accept and declare that the volume of trading operations with financial instruments of currency composition shall be applied the following leverage proportions.

1:1  1:10  1:25  1:50  1:100  1:200

### ■ Margin proportion on the open trading operations

Margin on open trading operations %

Margin to close trading operations %

The parties to the Agreement accept above mentioned leverage and margin proportions on trading operations with financial instruments of currency composition, as well as appropriate proportions defined by the Broker to be applied on securities and financial instruments not mentioned above.

## GUIDANCE ON TRANSFER

To the Management of Invest AZ Limited

Within the framework of the Agreement I declare to empower your company without a need for additional approval to transfer cash or securities from the other accounts upon your company to my current account with account number of  in the amount to ensure margin call arising from the open trading operations.

## COMMISSION AND EXPENSES

**Commission on margin trading operations:** Client can get more detailed information about the commission applied on the Client's account by the Broker for execution of margin trading operations in the website [www.invest-az.com](http://www.invest-az.com).

**Withdrawal expense:** All the expenses regarding withdrawal of funds from Invest AZ Limited account are attributed to the Client.

**Spread charge:** Detailed information regarding the spread charges on financial instruments can be found on the website [www.invest-az.com](http://www.invest-az.com).

**Swap charge:** Detailed information regarding the swap charges on financial instruments can be found on the website [www.invest-az.com](http://www.invest-az.com).



## Article 1

### Parties

Invest AZ Limited (Further called Broker) Level 1, 11 Alma Street, Auckland, 1023, New Zealand and

(Further Client)

**Personal data: Provided in the Consumer Agreement Form.**

## Article 2

### Subject of the Agreement

This Agreement regulates the rights and obligations of the parties for implementation and execution of Client's orders and relevant services provided by the Broker for trading with currency, commodity, security and various financial instruments within the framework of Securities Market Legislation, trading rules on Exchange and other legislative acts.

Cases that are not regulated in this Agreement shall be regulated within the framework of requirements of Brokerage Agreement.

This Agreement, by no means, should not be perceived and explained as the Personal Management Agreement or the Consulting Agreement on Investments.

Before signing this Agreement the Client accepts to have been familiar with Risk Notification on Margin Trading which is an integral part of this Agreement.

## Article 3

### Explanation of Terms

Terms used in this Agreement;

- **Margin trading order:** This expresses online leveraged buy-sell orders of currency, commodities, precious metals, as well as financial instruments offered by the Broker in the appropriate amount of margin.
- **Regulatory body:** This expresses FSP of New Zealand.
- **Legislation:** This expresses legislative acts issued by the Regulatory body, trading rules on Exchange and requirements of other normative-legal documents on relevant activities.
- **Trading order:** This expresses trading orders that could be written, oral and through the online trading platform given by the Client to buy and sell financial assets offered by the Broker with margin.
- **Instruction:** This expresses all kinds of requests sent by the Client, including trade orders.
- **Leverage:** This expresses the ratio of the total value of trading operations over the amount

of margin deposited by the Client for the relevant operation.

- **Online Trading Platform:** This expresses online platform on which margin trading operations are carried out and current position of trading account, as well as price changes in the market are controlled.
- **Initial Margin:** This expresses initial investment amount placed on the account upon the Broker in order to carry out margin buy-sell operations.
- **Free Margin:** This expresses the amount of free funds to ensure new trade order decision on the Client's account.
- **Margin:** This expresses the amount of funds frozen as a margin on trade orders given by the Client.
- **Swap:** This expresses profit and losses added to the results of Client's operations as a result of interest and similar expenses applied on currency and other financial assets traded.
- **Equity:** This expresses the amount remained after subtracting loss and tax expenses, commission as well as other expenses from the sum of profit earned and deposit placed by the Client.
- **Selling price:** This expresses selling price of financial assets on trading platform offered by the Broker.
- **Purchase price:** This expresses purchase price of financial assets on trading platform offered by the Broker.
- **Currency pair:** This expresses the first currency of currency pair.
- **Cross currency:** This expresses the second currency of currency pair.
- **Open Position:** This expresses active trading position arising from the acceptance of the Client's buy and sell orders on financial assets for execution.
- **Dealing Center:** This is the department upon the Broker at which trade orders and instructions of the Client are accepted and executed.
- **Hedging operation:** Within the framework of trading transaction, it expresses buy order in exchange for sell order and sell order in exchange for buy order.
- **Spread:** This expresses the difference between the sale and purchase price of financial asset.
- **Scalping:** This expresses speculative transactions that are carried out to earn consistent income regularly from small price changes in a very short period of time.





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#### Article 4

### Due Diligence

Within the framework of local legislative requirements, the Broker assesses the Client's identity, contact and other information. For joint accounts, information on account owners is separately assessed. In the case if the Client is a legal entity, information on representative of legal entity and his signature, as well as the relevant documents of notarized authority may be required. The Broker keeps photocopies of the relevant information about the Client as part of this Agreement.

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#### Article 5

### Risk and Profit preferences

Before signing this Agreement the Client accepts to have been familiar with Risk Notification on Margin Trading which is an integral part of this Agreement.

Client's preferences on risk and profit, his investment objectives and data regarding financial position are provided in the Consumer Agreement Form. It is Client's responsibility to inform the Broker in a written form if any changes have been made on this form. Otherwise, the Client accepts that the Broker will refer to the information specified on the form. The Client is personally responsible if he rejects to give information to the Broker about himself and a written notification shall be provided by the Client. The Client accepts and declares that he has read the provisions above, studied its content and signed this Agreement at his own will.

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#### Article 6

### Representation

In the case if representative is assigned by the Client, then the representative accepts and declares that he is authorized to use all the rights arising from this Agreement like an account owner and the Client is fully responsible for all the results carried out on the Client's account by the Client's representative. The Client shall submit an official representative in a notarized power of attorney.

Only individuals may be appointed as the official representative of the Client. The Client shall submit the Broker the Specimen Signature forms of the Client and his representatives, as well as their personal and contact information. The Client may withdraw the rights of his representative at any time at his own will by notarized approval.

The Client accepts that the operations carried out by the Client's representative shall be legally valid if the Broker is not informed about the withdrawal of rights of representative.

The Client bears full responsibility for losses and other negative situations arising from a deliberate use of authority and actions contrary to the Client's will for unknown reasons.

If the Client is a legal entity, then those persons who are authorized to act on behalf of the Client, identity and specimen signatures are sent to the broker, then these persons shall be authorized to act on behalf of the Client to make changes and additions on all kinds of transactions within the framework of this Agreement. If the written notification has not been sent to the Broker regarding any changes made on the Client's representation, then these changes shall be considered legally invalid.

All the staff of the Broker including the members of the management board, as well as authorized persons of organizations that collaborate with the Broker for relevant services shall not have the right to act as Client's representative..

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#### Article 7

### Joint Accounts

Each of joint account owners shall be authorized to give any type of orders and instructions on the Client account in accordance with the terms of the Agreement without a need of any oral or written consent of other partners unless the opposite is not sent to Broker in a written form. Each of joint account owners is fully responsible for execution of obligations arising from the terms of the Agreement. Execution of Broker's liability by any joint account owners exempts the Broker from any obligations against other partners. Full execution of obligations by each of joint account owners against the Broker exempts other partners from obligations as well.

Sending account statement or notifications on operations on the account to any of the joint account owners shall be considered that other joint account owners are also informed with these notifications and account statements.

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#### Article 8

### Trade orders

The Client accepts and declares that he is aware of all kinds of risks he may face before starting to trade and that he had been informed about these risks by the Broker, he had studied all the information regarding these risks, he shall make a decision considering his financial position and limitations, and the fact that margin trading terms contain unique risks and he could liquidate his account upon the Broker as a result of price changes in an opposite direction of prognosis.

The Broker acts like an opposite side of trade orders given by the Client and these orders are realized by the Broker. Each trading operation could end up in favor of one party and against the other.

Margin trade orders are sent to the Broker by the Client in a written form, orally and through the online trading platform. Trade orders given through the online trading platform are in oral form. The Broker has the right to demand a written approval of trade orders given in oral form prior to execution of trade orders, but he is not bearing any obligation regarding this.



The Client can give orders via trading platform on the periods determined by the Broker. The Client accepts that the Broker shall not execute trade orders given by the Client on non-working days when exchanges do not operate and changes at his own will shall be made only at working hours of the Broker.

The Client may note the period of active trading of its trade orders according to his own will. Trade orders are considered active daily or for an infinite term if it is not being cancelled with the other order. The Client may send trade order that will be active at the pre-defined time with the subject to acceptance by the Broker.

Trade orders that are accepted for execution cannot be changed or cancelled by the Broker at his own will. But:

- To make changes in favor of the Client with a justified objection.
- To make any changes on the Client's trade orders in order to cancel the results of technical problems that could occur on the trading platform.
- In the situation when trade orders with the same features are cancelled or their prices are changed.

Trade orders may be cancelled and changed by the Broker. In such cases, a warning or notification shall be sent to the Client.

The Client accepts that the Broker could cancel pending orders, change their prices or suspend the acceptance of trade orders by the Client in the case of differences between the real market prices and those on trading platform that could arise as a result of errors associated with liquidity providers, extraordinary market situations or liquidity problems of certain financial instruments.

The Client accepts that the difference between the sale and purchase prices rise as the volume of trading rises. The Broker may apply fixed spread terms regardless of trading volume.

The first trading session after the weekend or non-working days could open with a dramatic difference than the previous closing price. In this case, the Client may face the risks of closing open operations with prices that are different from pre-defined stop and limit prices or acceptance of pending orders for execution with the price that is different from the price level indicated on the relevant orders.

Moreover, there could be a gap in price orders in extra-ordinary market cases when price levels indicated by the Client on trade orders are not executed. In these cases, trade orders of the Client are executed with the fixed price after the relevant gap.

## Article 9

## Provision of trade orders through electronic means

In order to benefit from the opportunities of trading platform offered by the Broker, the Client shall have enough technical knowledge to use this platform and a computer with an internet access. The Client shall be fully responsible for the use of the Trading platform in case if mentioned technical rules are not provided or provided in an insufficient way or not having an appropriate technical knowledge.

Broker is entitled to make changes, additions or eliminate the technical features of a trading platform, its form, content, the number of financial instruments and trade rules provided on the trading platform at his own will, without any loss on the open positions of the Client. Information about any type of additions or changes made in the technical features or functions of the Trading Platform shall be sent to the Client by electronic means or directly by a Trading Platform.

Client shall bear full responsibility for confidentiality of a Username and Password required for entering Trading Platform. The Client, in accordance with the provisions of the Agreement shall not force third parties to use Trading Platform, pass the personal right of using the platform to third parties and other obligations arising from the terms of the Agreement. Any type of orders and instructions sent by third parties on behalf of a Client and at the expense of the Client using relevant Username and password shall be considered as sent by the Client and the Client shall be responsible for the results of this type of operations. The Client shall have to inform the Broker about a preconceived use of a Username and password by a third party. In this situation the Broker shall take immediately necessary measures to cancel or stop acceptance of trading orders at his own will.

The Broker shall not be responsible for the situations when trading orders sent by the Client via Online Trading Platform are not accepted or accepted improperly for the reasons that are beyond of his will. The Client accepts the fact of being informed about any type of risks regarding the operations executed through Online Trading Platform and bears personal responsibility for loss incurred as a result of realization of these risks.

## Article 10

## Execution of trade orders

Client shall maintain margin level according to the volume of the relevant trading operations on the account upon a Broker for the acceptance of trade orders or execution of open operations. In case if maintenance of relevant margin level is not provided on Client's account, Broker shall not be responsible for the losses which may incur as a result of cancellation of trade operations untimely or non-acceptance of trade orders.

Leverage applied to trading operations shall be applied in ratio agreed with a Client in the Appendix of this Agreement. Changes to leverage shall be made according to the written consent of the parties.



Amounts used as a margin level for the execution of trading operations are divided into two groups:

- **Initial margin:** The part of the margin level required for the execution of Client's trade orders, calculated as a leverage ratio which is specified between the parties under the terms of the Agreement.
- **Operating margin:** Minimum value required for maintenance of the updating margin level regarding daily price changes.

Client before starting trading operations shall transfer the relevant margin level to the Bank account specified by a Broker. Client accepts the fact of being informed about situations when Client's trade orders cannot be accepted for execution unless the relevant margin level is transferred to the Bank account specified by a Broker and the relevant amounts are reflected in the section of Trading Platform on the Client's account position. Broker may demand from a Client a margin call in case if the real value of the Client's account upon a Broker is lower than the amount of funds frozen as a margin on any type of open operations. Client is obliged to execute Broker's demand regarding a margin call immediately.

Demand regarding a margin call shall be sent to a Client by a Broker by written, oral or electronic means. Irrespective of Client's consent, demand regarding a margin call shall be considered legally valid from the moment sent by a Broker. Client accepts to bear responsibility for the losses which may incur on the account upon a Broker in case if the demand regarding a margin call sent by a Broker is not executed or not executed in time.

Execution of the demand regarding a margin call can be provided by transfer from Client's other accounts upon a Broker.

Margin of trading operations executed by means of Online Trading Platform is automatically calculated and the Client shall be able to watch relevant rates in a real time mode directly from the Online Trading Platform.

Client shall be submitted to the demand or notifications regarding margin call sent by a Broker and bear responsibility for the losses that may incur in case if relevant demands are not executed or not executed in time, and accepts the fact that Broker shall not be responsible for the relevant losses.

Types of currency specified by a Broker and required for execution of trading operations shall be accepted within the framework of legislative requirements. Unless the contrary is not required within the framework of legislative requirements Client's account upon a Broker, values of operations and Client's account on the relevant Online Trading Platform as well as Client's history of operations and other statements shall be expressed in USD.

Payments made on Client's account upon a Broker in other currencies on the date of acceptance of these payments calculated accordingly within the framework of requirements of the respective currencies of the Central Bank of New Zealand to the U.S. dollar rate shall be remitted to the Client's account.

Broker shall demand from a Client to make additional payments on the account with amount larger than margin level specified by the Broker in this Agreement.

In case if a Client does not execute additional margin call in time or does not provide operating margin, a Broker shall cancel all the open operations on the account completely or partially and new trading operations cannot be opened by the Client until margin call is not executed.

Broker can place a limitation on a margin level specified by a Client for giving trading orders for financial instruments. In these cases a Broker shall inform a Client using respective communication facilities.

Margin specified for trading operations and frozen on the Client's account shall be used by a Broker for execution of marginal trading operations and these funds shall not be estimated as deposit and investment attraction within the framework of legislative requirements of banking.

In case if a Client demands from a Broker to execute trading operations on the account upon a Broker in currencies different from USD, value expression of trading or another financial operation on the Client's account shall be calculated in accordance with exchange rate changes of respective currency provided on the Online Trading Platform. Broker shall not be responsible for the losses which may arise from exchange rates.

Provision funds regarding marginal buy-sell operations except the relevant operations on the market shall not be used for any other aims.

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## Article 11

### Cancellation of Trade Orders

The Client may cancel trade orders that are not accepted for execution. The Client accepts that the cancellation request sent by the Client shall not be executed by the Client, if the relevant order given by the Broker is accepted at the same time.

Trade orders that are accepted for execution cannot be changed or cancelled with the exception of the following cases:

- a. Amendments made in favor of the Client in accordance with the rules agreed between the parties,
- b. Amendments made on the Client's account and trade results due to the technical malfunctions appeared on the Trading Platform,
- c. Amendments made on the Client's account and trade operations due to the change of price or cancellation of trade orders of similar nature. In this case, the Client is notified by the Broker with acceptable means.



The Client accepts that the Broker could cancel pending orders, change their prices or suspend the acceptance of trade orders given by the Client in case of differences occur between the price on the trading platform offered by the Broker and the real market prices regarding the errors associated with liquidity providers, extraordinary market situations or liquidity problems of certain financial instruments.

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**Article 12**

## Transfer of open trade orders to the next day

Certain losses and profits due to the differences between the bank interest rates of countries of appropriate currencies may be incurred when the open trade orders are transferred to the next day. These income and expenses are directly applied on the Client's account.

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**Article 13**

## "Scalping"

The Broker holds the right to cancel the trade orders of the Client if he is involved in trading with "Scalping" method. The Broker may demand the Client a compensation for all kinds of loss and expenses that may suffer as a result of operations carried out with "Scalping" method.

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**Article 14**

## Suspension of operations

The Client may suspend his open operations partly or completely by counter operation. When instructions are sent by the Client to cease open trading operations then the execution of the relevant trading operations are ceased by the Broker and the income and loss earned are added to the Client's account.

## Article 15

## Exchange of information between the parties

All margin buy-sell operations carried out on the Client' account, deposit and withdrawal of funds by the Client, profit and losses of trading operations executed, potential profit and losses occurred on the open trading operations, all kinds of commission, expense and tax liabilities applied on the Client's account and margin position of open trading operations are controlled by Online Trading Platform. The Broker sends monthly written notification with corresponding figures for date, time, price and volume on the trade orders carried out by the Client, profit and loss results of closed orders, potential profit and losses occurred on the open trade orders, position of the Client's account upon the Broker, all the operations on this account executed with currency, securities and other financial instruments, all kinds of commission, expense and tax liabilities as well as margin position of open trade orders shall be sent within 7 (seven) days from the last day of month to the appropriate email address shown in the Customer Agreement Form. Only written notifications upon the request of the Client are sent to his email address within the date shown above.

Broker shall sent the margin call notifications by the terms of this Agreement and notifications on margin position of open trade orders to the Client's mobile phone number via SMS or to the email address shown in the Agreement. The Client shall accept the notifications on margin position of open trade orders sent via the means shown above as the final legally valid document. Monthly account statements cannot be sent by the Broker if the written notification sent by the Client not to execute any trading operation.

## Article 16

## Determination and payment of commission, tax and other expenses

Commission and other expenses to be applied on the operations carried out within the framework of this Agreement are noticed on the section of this Agreement about Commission and Expenses and the Client accepts and declares to accomplish obligations arising from the provisions given in this Agreement. Deposit of funds into the Client's account upon the Broker and the obligations regarding the payment of all kinds of tax and other expenses on the operations carried out within the framework of this Agreement belong to the Client and their payment shall be regulated by the relevant legislation.

## Article 17

## Recognition of liabilities

By the terms of this agreement, the obligations arising from the execution of margin trading operations are recognized and applied to the Client in the following cases:

- The failure to perform obligations or not to perform them at the required level with appropriate means and appropriate period regardless of the notifications on margin call.
- The failure to perform one of the obligations in this Agreement
- The partial or full payment of funds to be paid to the Broker if the Client's account and transactions regarding this account are banned.





The Client accepts that the Broker shall not accept the Client's new trade orders for execution if the Client does not allow opening new trade orders considering margin level of his open trade orders.

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#### Article 18

### Limitation of responsibility

The Client accepts that the Broker shall not bear any responsibility upon the Client for the failure to perform or not to perform obligations at the required level as a result of cases, such as economic, social or political turmoil, local and regional conflicts limiting the effectiveness of Broker's activity significantly, local or global economic crises, prohibitions that may be imposed on the activities regarding trading and financial markets, natural disasters and emergencies, as well as unpredictable cases when the Broker cannot intervene directly.

The Broker takes all the necessary measures to make the changes of price that are given to the Client for trading as maximum similar to the global price changes. There may be some differences between the changes of prices offered by the Broker and those in global market due to the problems arising from the liquidity of any type of financial instrument, extraordinary market situations or errors associated with liquidity providers. The Client accepts that the Broker has no obligations upon the Client for the cases of differences shown above, except for the cases when the Broker is able to intervene directly.

The Client accepts that the Broker does not bear any responsibility for the losses and damages that the Client could face due to inadequate security level of any computer and mobile phone when using or entering to Online Trading Platform. The Broker is only responsible to cover the damages suffered by the Client in the cases which can be applied on the Broker's obligations. The Broker does not bear any responsibility for indirect and moral damages and the losses of the third parties.

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#### Article 19

### Term contract

This Agreement is signed for an indefinite term and is legally valid from the date of signature of both parties. The parties to the Agreement may terminate the Agreement at any time with mutual agreement and ensuring full implementation of mutual obligations between the parties.

Article 20

## Amendments to the Agreement

The Broker holds the right to change the provisions of this Agreement partly or completely with the subject to notify the Client in a written form. Amendments shall be considered to have been accepted if any objection is not made by the Client in relation to these changes within 7 days from the date on which notification sent to the Client. Having not agreed in regarding the changes between two parties provides a basis for termination of the Agreement. The terms of the Agreement may be changed unilaterally without a need for additional approval by the Broker regarding amendments on the rules of margin trading which the Broker is not able to intervene directly. In this cases, the Client shall be immediately notified by the Broker. Any changes and amendments made on the Agreement is coming into force from that moment.

Having completely read this Agreement, the parties, accept and recognize that, there is no need to sign each page separately and agree with the all clauses and provisions specified in this Agreement.

Please write with your signature:

*"I agree with the terms of the Agreement."*

Customer Name, Surname

**Invest-AZ Limited**

Level 1, 11 Alma Street Newmarket Auckland  
1023, New Zealand

+ 64 (9) 889 06 9 | info@invest-az.com

URL: [www.invest-az.com](http://www.invest-az.com)

Director:  
**Lesley Campbell**

Customer Signature \_\_\_\_\_ Date    \_\_\_\_\_ Signature \_\_\_\_\_

Country

City



**PRIVATE  
MANAGEMENT  
AGREEMENT**

Section:

# PORTFOLIO MANAGEMENT



AMG

## TERMS OF PORTFOLIO MANAGEMENT

Personal data: Provided in the Consumer Agreement Form.

Client's account No

Initial investment amount  Currency

**NOTE: Minimal investment amount for Private management shall be accepted as 50 000 USD and its equivalent.**

Within the framework of Private Management Agreement signed between the Client and the Manager, commission and expenses to be charged in an exchange for managing the Client's relevant account by the Manager are given below.

### Success fee

The Client shall pay the commission calculated in accordance with the table of "net profit share distribution at the end of the relevant investment period" from the total profit on the Client's account (after deduction of brokerage commission and other expenses regarding management) at the end of each investment period, as well as in the case of termination of the Agreement or its termination by the Client prior to maturity.

### Management fee

The Manager shall get the management fee at the beginning of the relevant investment period at the rate of  % annually calculated over the cost of initial investment amount of the Client in exchange for managing assets of the Client and these expenses are written off the Client's sub-account calculated for the relevant period at the end of each investment period. All the open trade positions of the Client on the relevant sub-accounts shall be closed at the end of the last year from the date of signature of the Agreement and the management fee for the new term shall be recalculated annually taking into account the initial investment amount.

**NOTE: The Manager shall apply the management fee on the sub-account of the Client in the FULL AMOUNT (at the rate of  % annually) prescribed in the Agreement, in the case if the Client withdraws his assets from the relevant sub-account by the end of the initial investment period from the date of signature of the Agreement.**

## PORTFOLIO STRUCTURE

Under the provisions of the Agreement the Client's portfolio for management consists of the following:

%  Securities

%  Cash

Special requests of the Client on account management:

None  Agreed upon the new addition to the Agreement

The Client agrees the management of his account by the Manager under above conditions.

## MUTUAL SETTLEMENTS OF THE PARTIES

**Commission and expenses to be paid to Manager.** On the last banking business day of each investment period net profit earned shall be distributed between the parties closing all the open positions on portfolio and realization of results. In this case, the share of the profit to be received by the Manager shall be written off the Client’s relevant sub-account and the share of the profit to be received by the Client shall be transferred from the relevant sub-account of the Client to his Current account.

The value of net assets for the beginning of each investment period shall be accepted as initial investment. Net profit is calculated after deduction of commission and other expenses on portfolio from the increase in net worth for the end of the relevant investment period of the initial investment.

<b>Net profit share distribution for the end of the relevant investment period (annually %)</b>	
<b>Investment Period</b>	<b>The amount payable to the Client</b>
<b>1-3 month</b>	<b>Deposit + 0 % of profit (existing balance on the account in the case of loss)</b>
<b>After 3 month</b>	<b>Deposit + <input type="text"/> % of profit</b>

Investment period covers 3 month period (91 calendar days) from the date of delivery of Client’s funds to Manager or the date of transfer of funds to the relevant sub-account upon the Manager.

The value of net assets at the end of other investment periods excluding initial investment period on which the Agreement is signed between the Client shall be considered as the profit earned on behalf of the Client on the periods prior to the relevant period, if the net asset value is less than the initial investment amount but more than the loss limit. If the sum of the Client’s total net profit earned from the income distribution carried out on the previous periods and current net assets on the Client’s relevant sub-account is less than the initial investment amount, then the Manager transfers his share from the profit to the Client’s account.

**Loss limit.** The Manager shall immediately suspend all the operations and warn the Client online or in a written form in the case of depreciation of more than  % of Client’s total assets on portfolio during the first or any subsequent investment period.

The reach of the value of total assets on portfolio to the loss limit during the investment period is the basis for Agreement termination and a transfer of residual funds from the Client’s relevant sub-account to his current account.



## **The proposed list of securities**

- Currency pairs traded in the international currency market,
- Agreements for differences,
- Futures,
- Options,
- Commodities,
- Stocks,
- Open investment funds,
- Interval investment funds,
- Closed - end investment funds,
- Government bonds,
- Corporate bonds.

## **Portfolio diversification**

The list of securities that may be included in the low-risky portfolio of the Client

- Option Agreements on the assets of investment grade companies and governments
- Stocks of investment grade companies
- Bonds of investment grade companies
- Bonds of investment grade governments
- Securities of investment grade companies and governments, instruments of highly liquid money market, open investment funds consisting cash and closed-end investment funds that can be traded on exchange

## **The list of securities that may be included in the medium-risky portfolio of the Client**

- Option Agreements on the assets of investment and speculative grade companies and governments
- Futures Agreements on the assets of investment and speculative grade companies and governments
- Commodities of portfolio of which standard deviation of daily price changes within the year is not more than the standard deviation of other assets of this portfolio
- Stocks of investment and speculative grade companies

- Bonds of investment and speculative grade companies
- Securities of investment and speculative grade companies, instruments of medium and highly liquid money market, open investment funds consisting cash and closed-end investment funds that can be traded on exchange

**The list of securities that may be included in the high-risky portfolio of the Client**

- Option Agreements on the assets of investment and speculative grade companies and governments
- Futures Agreements on the assets of investment and speculative grade companies and governments
- Commodities of portfolio of which standard deviation of daily price changes within the year is not more than the standard deviation of other assets of this portfolio
- Stocks of investment and speculative grade companies
- Bonds of investment and speculative grade companies
- Securities of investment and speculative grade companies, instruments of medium and highly liquid money market, open investment funds consisting cash and closed-end investment funds that can be traded on exchange
- Currency pairs that can be traded in the international currency market and available for margin trading
- Agreements for differences that are available for margin trading
- Futures that are available for margin trading
- Options that are available for margin trading
- Commodities that are available for margin trading
- Stocks that are available for margin trading





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# RISK NOTIFICATION ON PRIVATE MANAGEMENT

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## **General**

Manager's historical rate of returns does not guarantee the provision of future profitability in the same rates of return.

The capital cost of assets on the portfolio may change and the prices of these assets in the market may increase and decrease at the same time. Such price changes cannot be guaranteed by the Manager. The Client may get less than the capital invested, especially, during the refund of assets to the Client in a short period of time. As there is no guarantee to reach the objectives of investment strategy of portfolio, the Client must be able to accept losses he may face.

In accordance with the high return strategy, the portfolios with a few types of securities may be riskier than those portfolios with many types of securities. The portfolio to be created for the Client shall be invested in securities and other financial assets. In this regard, the value of these investments and return on these investments may increase as well as fall. Such profit and value changes are not guaranteed by the Manager.

You must not forget that you may be paid less amount than you invested in the case of redemption.

## **Currency exchange and Emerging Markets**

Securities and other financial assets to be invested within the framework of Private management may be denominated in a currency other than the currency which the Client uses for investment. Therefore, the Net Asset Value of the portfolio may be affected by the price changes in currencies.

The Client shall take into consideration that investing in Emerging Markets may involve the risks regarding a delay or failure on registration and maintenance during the payment. Accounting, auditing and financial reporting standards in Emerging Markets may not correspond to international standards and the level of service of state control and regulators may not be as high as on developed countries. Intervention in markets by governments may affect the value of investments on Emerging Markets and political instability risk may be high. Reliability in the trading system and mutual settlements on Emerging Markets may be lower than developed countries; therefore this may cause different problems in the realization of investments. The lack of liquidity and efficiency on stock and foreign exchange markets shall make a Manager face difficulties during the trading of securities and other financial assets.

## **Derivatives**

The Manager is able to invest in derivatives in order to obtain higher investment returns within the framework of the relevant legislation. These transactions on derivatives can be traded on the exchange and OTC. Transactions on OTC can add additional risk on the portfolio. These risks require solid management. Please note that the potential return on emerging countries is limited.

## **Short positions on Financial Derivatives**

The Manager may get short positions on underlying assets through derivatives. Short positions through financial derivatives bear margin trading risk and may lead to a higher risk than the results of foot positions.

Due to the recent high volatility observed in the international financial markets, short positions on certain financial derivatives are restricted by some legal and regulatory bodies. The level of restrictions changes according to various legislations and expected changes are considered for short and long term. These restrictions have made it difficult to execute investment strategies of some market participants, as well as risk management on open positions. The Manager may not be able to fully express its negative positions about some securities, companies and sectors and may be in need for foreign Manager to meet the investment goal of portfolio. In these cases, the Client accepts the transfer of portfolio and its constituent securities and financial assets to the account of other Manager.

## **Fixed-income Securities**

Fixed-income securities are exposed to the risk (credit risk) of being able to pay the principal and coupon payments on the principal amount, at the same time exposed to price volatility risk due to the reasons of total liquidity risk (market risk) of the market, market expectations on the issuer's repayment ability, as well as sensitivity to interest rates. Fixed-income securities that the Manager may invest are sensitive to interest rates. In general, increase in interest rates may reduce the value of fixed-income securities, and reduction of interest rates on fixed-income securities may lead to an increase in the value of fixed-income securities. Therefore, the performance of portfolio will depend on predicting and reacting to price changes and the use of properly selected strategies designed to reduce the risks associated with investment capital as well as to maximize profits.

## **Taxes**

Tax fees applied on portfolio and aimed to be immediately executed shall affect the volume of the portfolio and accordingly the income to be paid to a Client on the relevant portfolio. For this reason it is recommended to be fully informed about the structure of the portfolio which carries tax risks.



## Article 1

### Parties

INVEST AZ LIMITED (Further called "Manager") Level 1, 11 Alma Street, Auckland, 1023, New Zealand

(Further Client)

Personal data: Provided in the Consumer Agreement Form.

## Article 2

### Subject of the Agreement

This Agreement establishes principles and requirements of management of the portfolio formed by the financial funds of the Client or his relevant sub-account upon the Manager within the framework of legislation on Securities and Portfolio Management. Based on this Agreement, the Manager takes all the necessary steps in order to get maximum return by managing the Client's financial assets.

## Article 3

### Terminology

- **Portfolio:** Expresses the sum of Client's financial funds placed on the sub account upon a Manager for managing on behalf of the Client and/or given to the Manager directly or partially to manage during the Agreement period.
- **Investment period:** Expresses the terms consisting of 3 (three) calendar months calculated from the start date and if the opposite is not agreed by the parties. Investment period does not aim to limit validity term of the Agreement, as well as the term of investment activity. In case if the Agreement is terminated, investment period shall come to an end on the last day of the Agreement.
- **Start date:** The date of transferring financial funds of the portfolio to a Manager or to the relevant sub-account upon the Manager or the next working day in case if financial funds of the portfolio are not withdrawn by the Client at the end of each investment period.
- **Last date:** The last date of the investment period which is calculated from the start date.
- **Funds withdrawal before expiry:** Expresses the withdrawal of funds placed on the account or portfolio upon the Manager by the Client before the investment period expires with mutual execution of obligations agreed under this Agreement.
- **Manager:** Under the terms and provisions of this Agreement Invest AZ Limited shall be considered as a Manager.

- **Private Management:** It is an investment of the Client's funds in different financial and investment instruments by a Manager in order to make a profit under the terms of this Agreement.
- **Client:** Under the provisions of this Agreement shall be considered the person whose personal data are provided in the Consumer Agreement Form.
- **Funds:** Financial assets used for investment or reinvestment within the framework of securities market, currencies, and the relevant legislative requirements.
- **Related Persons:** The partners, directors, shareholders, servants, representatives of parties and other persons specified by the legislation.
- **Legislation:** Normative legal documents and legislation that represents the relations regarding Private and portfolio management.

#### Article 4

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### Investment periods and launch of private management

This agreement shall enter into force within the week from the moment once signed by the authorized representatives of parties and cash delivered to Manager by the Client or transferred to sub-account upon the Manager and this agreement shall remain in force for an indefinite period until the implementation of mutual obligations between the parties is terminated. The term of the Agreement shall be determined in accordance with peculiarities of strategy of management activities which are carried out by the Manager in order to make a profit. The Manager reserves the right to refuse the acceptance of non-liquid financial assets and non-convertible cash funds into private management. The Manager can manage one or more portfolios of the same Client at the same time regardless of the start date.

Each Client of portfolio shall be given a special identification number and this number shall be indicated in the Agreement. Each portfolio shall be managed in 3-month periods from the start date, if the opposite is not agreed by the parties.

The portfolio of the Client shall be considered to adopt into management by the Manager on the first business day after the investment period in the cases if the funds forming the portfolio are not withdrawn at the end of the investment period or not refused of management services on the next investment period. In this way, the Client's portfolio which has recently been adopted into management shall be applied the provisions of this Agreement. With the implementation of mutual obligations between the parties, the Client can withdraw a part or all of the funds forming the portfolio. If the Agreement is terminated prior to expiry, then the final settlement between the parties shall be executed in accordance with the terms of this Agreement.



#### Article 5

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### Portfolio structure and risk allocation

The Client accepts that the portfolio structure is fully and freely set up by the Manager and it is impossible to interfere the structure of the portfolio. The Manager manages the Client's funds within the framework of principles and conditions reflected in this Agreement. The Manager is free to choose financial assets according to appropriate investment groups.

The Client accepts the following: The Manager is fully authorized and free to choose financial assets forming the portfolio, invest partly or as a whole of the value of portfolio in fixed-income securities at its own will, determine the type and number of securities forming the portfolio, invest partly or as a whole of portfolio in only one type of financial asset within the framework of portfolio structure and fully authorized in choosing financial asset to invest without any restrictions.

#### Article 6

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### Responsibility and Ensuring Return

The Manager may ensure a certain proportion of return, but is not responsible for keeping the value of portfolio stable. The Client accepts that certain financial risks may accompany investment in financial instruments, the value of financial assets may change with the impacts of social, political and economic factors, the total value of portfolio could be reduced as a result of price changes in financial assets and those losses could arise as a result of portfolio management, along with profits. The Client accepts and declares that he is aware of the risks reflected in this Agreement and signed the Agreement considering these risks and he is able to meet his obligations arising from the terms of this Agreement. The Client accepts and declares that the losses and profits arising from trading of financial instruments shall be applied directly on the Client's account.

#### Article 7

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### Requirements on Private management

A Manager shall officially confirm the investment decisions on Portfolio by means of relevant notes and documents. The Manager shall be accurate and responsible in Portfolio management and shall ensure a Client's interests in the given investment decisions. Loss in value of the selected financial instruments of Portfolio and any losses occurred in the Portfolio must not be considered as the Manager's contrary activity in terms of its rights and obligations under this Agreement thus, the Manager shall not carry obligations for any losses which may arise from the execution of the Manager's authorities.

In case if the Client is not informed in a written form, financial assets shall not be bought or sold in the amount exceeding the value of the Portfolio. The Manager may execute trading operations from the Client's portfolio to Manager's portfolio and vice-versa.

The Manager shall carry out trading orders of financial instruments through a Broker offering the best price. A Broker on trading operations of financial instruments to be included in the portfolio shall be selected in accordance with such factors as price advantages, client confidence, term of activity, confidence in the market etc. The Manager can invest in Portfolio the securities issued by the Manager or those securities which the Manager organized to issue. The Manager shall not legally demand the funds forming the Portfolio personally or in favor of third parties and shall not transfer the funds of portfolio to third parties for purposes other than the portfolio management without a written notification of the Client. The Manager shall not use the Client's portfolio for his personal aims. The Manager shall use professionalism to make decisions on behalf of the Client within the Portfolio management and shall try to execute mutual aims under the terms of this Agreement. The Manager is free to manage more than one portfolio; however interests of one Client must not prevail over the interests of another.

Manager's responsibility and obligations under this Agreement are limited by the obligations provided in this Agreement. The Manager shall not bear any responsibility for validity, authenticity and adequacy of the documents or a written phrase sent by the Client. The Manager shall regard any documents or funds provided by the Client or a Client's authorized representative as authentic documents signed respectively and shall operate according to it. The Manager is not responsible for the execution of obligations by the parties or funds and documents mentioned above under this Agreement except the deliberate illegal activity or incompetence matter.

Taking into account the features of the investment strategy which are agreed with the Client and carried out by the Manager during the contract period, the Manager shall not bear any financial responsibility before the Client for negative situations such as bankruptcy of banks, brokers and investment companies holding the funds of the Client, the liquidation of local and foreign legal entities, insolvency and other cases.

In the case if the funds given by the Client for management are found to be used by the relevant authorities for the purpose of money laundering, international terrorism and other purposes contrary to local or international legislation, taking into account the requirements of local superior legislation, the Manager shall only execute the requirements and instructions of authorities, specified by the relevant legislation and does not bear a responsibility before the Client regarding the execution of the obligations implied in this Agreement.

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#### Article 8

### Valuation of Portfolio instruments

The funds in portfolio are daily evaluated by the Manager. Evaluation of financial instruments traded on Exchange is realized upon the closing price of the last trading session. Newly issued securities are evaluated by nominal value before being listed on Exchange and by the closing price of the last trading session after being listed on Exchange. Valuation of Investment Funds is realized at the price claimed by authorities of relevant funds on the day of evaluation. Evaluation of financial instruments of foreign origin included in the portfolio is calculated within the requirements of compliance of the last close price on Exchange to the relevant rate specified by the Central Bank of New Zealand. In accordance with the terms mentioned above the financial instruments that cannot be evaluated shall be evaluated with portfolio value specified on the last trading day.



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Article 9

## Client's Orders

The Client entrust the management of portfolio comprising financial funds to the Manager with full authority. During the Agreement term, the Client cannot give specific orders to the Manager on the sale and purchase of financial assets as well as on portfolio management.

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Article 10

## Maintaining financial instruments of portfolio

Financial instruments and funds to be included in the portfolio are maintained within the framework of requirements of legislation.

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Article 11

## The use of the rights associated with financial instruments

Under the terms of this Agreement, financial instruments received by the Manager are added to portfolio as long as the physical delivery of certain instruments to the Client is not asked. If the physical delivery of certain financial instrument is asked by the Client then the Manager has the right to require additional commission for execution of certain transaction.

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Article 12

## Representation

The Manager shall only accept the representation on behalf of the Client of those persons by whom the Manager is notified in a written form. If the opposite is not notified precisely and in a written form, then the Manager shall accept representatives of the Client as fully authorized representative. With an appropriate power of attorney, if the representative is not subject to any activity restrictions, then the Manager shall accept the orders given by the representative on the Client's account and on Portfolio as the orders given by the legal representative of the Client.

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Article 13

## Informing Clients regarding Portfolio Management

The Manager shall send the report stating the current position of Portfolio to the Client's email address at the end of each investment period no later than the first 7 (seven) days of the next month.

The Manager shall arrange the accounting of the transactions carried out on the funds received and submit written or online report to the Client at the end of each investment period.

"The report on preliminary results of cash management at the certain investment period" shall be made at the end of each investment period and submitted to the Client online or in a written form no later than one week after the end of the period. This report reflects the results of the

Manager on the Client's portfolio within the period from the sign of the Agreement until to the end of the investment period and consists of the following:

- The residual of total assets of portfolio for the contact period
- The current market value of total assets of portfolio for the Agreement period
- The residual of total assets of portfolio at the end of investment period
- The current market value of total assets of portfolio at the end of investment period
- The amount of commission to be paid to Broker at the certain period
- The amount of management fees at the certain period
- The amount of net profit at the certain period
- Settlement balance with the Client on the net profit at the certain period
- Settlement balance with the Client on rewards on earnings at the certain period
- Information about taxes on profit at the certain period

"The report on the final results of cash management at the Agreement period" shall be made by the Manager at the end of 4th investment period and submitted to the Client no later than one week after the end of the period. This report reflects the results of the Manager on the Client's portfolio during the entire period of the Agreement and consists of the following:

- The residual of total assets of portfolio for the contact period
- The current market value of total assets of portfolio for the Agreement period
- The residual of total assets of portfolio at the end of the Agreement period
- The current market value of total assets of portfolio at the end of the Agreement period
- The amount of commission to be paid to the Broker for the Agreement period
- The amount of management fees for the Agreement period
- The amount of net profit at the certain period
- The amount of the customer's share of the net profit at the certain period
- Bonus for profit at the certain period
- Information about taxes on the net profit at the certain period
- Information about taxes on profit at the certain period





The final report is an official document and based on this document the final mutual settlements on the execution of the Agreement between the Manager and the Client are carried out, as well as in the case of termination of the Agreement prior to expiry or when the complaints arising from the Client are reviewed all the mutual settlements between the Parties are carried out. The final report shall be compiled until the moment when the Agreement is terminated if the decision made on the termination of the Agreement prior to expiry and submitted to the Client no later than a week from the date of termination.

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Article 14

## Expenses

A Client shall bear a responsibility for the expenses regarding payment of tax obligations for Client's profit, income, estate and dividends as a result of the trading activity carried out under the terms of this Agreement. The Client shall pay fees for legal counseling, notarial and postal charges, notifications and correspondence fees which may arise as a result of disputes regarding trading activities and operations carried out under this Agreement. The Client shall be fully responsible for the execution of reporting and tax obligations on profits submitted to the relevant state authorities and arisen from Portfolio management. Any type of expenses and taxes concerning the Client and arisen as a result of activity within the framework of this Agreement shall be withdrawn from the Client's portfolio to the Manager's account.

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Article 15

## Commission and expenses paid to Manager

At the end of each investment period, the Manager shall be paid the commission for management specified in the "Mutual Settlement" part of this Agreement from the net profit. Net profit is calculated after deducting non-management expenses and other commission paid to a Broker from an increase in net worth of assets invested.

The Client's obligations before the Manager arising as a result of commission rates of portfolio, financial intervention by the Client on portfolio between the investment periods and other similar situations shall be accepted in accordance with the terms given in the "Mutual Settlement" part of this Agreement. Commission fee for management and other obligations shall be calculated and withdrawn by the Manager at the termination of the Agreement or at the end of the investment period or at the date of funds withdrawal before expiry. Data provided in the statements and sent to the Client during the investment period has an informative aim and no payments from net profit shall be made according to these data. This profit shall be accepted as an integral part of the assets to be managed during the next investment period.

In case if the Client's net profit amounts in less than 10% per annum until the termination of the Agreement and if the premium for an increase of profit has been provided by the Manager to a Client during the validity term of this Agreement, then the Manager shall ensure the Client with a profit in \_\_\_\_\_% per annum upon the relevant portfolio from the profit gained in accordance with the terms of this Agreement.

The Client accepts the withdraw of the commission and fees mentioned above by the Manager from the Client's account upon the Manager or from the net value of portfolio.

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#### Article 16

### The Manager's rights on the Client account

The Manager has a right to decide independently on the debt and receivables of the Client's appropriate Investment Portfolio without a need for any approval, as the debt and receivables arising from investment activities carried out within the framework of this Agreement are obligations in nature. The Manager has a right to use the Client's funds under management in order to ensure the full payment of obligations arising from the Client's Investment Portfolio. The Manager has a right to withdraw the amount of funds in the value of appropriate obligation, if the Client fails to meet his obligations arising from the terms of this Agreement in time.

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#### Article 17

### Term contract and its termination

The Agreement shall be legally binding since its signature at least by the end of the First Investment period. The term of the Agreement shall be considered to extended over the next investment periods in case of failure to create mutual intention on termination of the Agreement between the parties. The loss of value in the Client's assets in the level prescribed in the Agreement shall make the Agreement invalid. Along with this, "The report on the final results of cash management at the Agreement period" shall be prepared. This report is an official document that shall be taken as the final mutual settlement between the Client and the Manager and the completion of this settlement shall make the Agreement invalid.

The relevant financial funds remained after deduction of all type of commission and fees from the income obtained shall be transferred to the Client's Current account within 3 (three) banking days in the cases of the Agreement is terminated or the funds forming the Portfolio are withdrawn by the Client. If the funds forming the Portfolio are not sold or liquidated, then the Manager returns appropriate financial funds to the Client in the same form.

The current Agreement may be only terminated in the following cases with the execution of final mutual settlements between the Parties:

#### **On the initiative of the Manager**

This Agreement may be terminated anytime on the initiative of the Manager within 10 days from the date of submission of notification on termination of the Agreement to the Client and in the following cases:

- In the case of imminent violation of the terms of Agreement and the violation cited is not removed within 10 business days from the date of submission of written notification by the Manager to the Client specifying the nature of this violation.
- In the case of decision made by court on bankruptcy or insolvency of the Client based on the Manager's complaint.



- In the case if the amount of loss on account is reached to the limit level indicated in the terms of this Agreement.

### **On the initiative of the Client**

This Agreement may be terminated unilaterally by the Client only after the end of each investment period, based on the investment strategies carried out by the Manager to manage cash in Portfolio and in this case the final mutual settlements are carried out at the end of investment period at which the Agreement is terminated.

- In the case if the amount of loss on account is reached to the limit level indicated in the terms of this Agreement.

If the Agreement is terminated on the initiatives of both Parties, then the Client pays the Manager rewards accrued up to the date of actual freezing of authorities on cash management, as well as other fees in accordance with the terms of this Agreement. The Agreement may be terminated on the initiative of both Parties at the date of termination if the other side has no objection on mutual settlements. The status of the Portfolio shall not be changed if the Agreement is terminated. Based on the Client's request, the Client shall help the Manager to refund the residual left after the mutual settlements

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#### Article 18

### **Integrity of the Agreement**

The contents of this Agreement and amendments to the Agreement provide the terms and principles of Private Management activity between the Parties.

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#### Article 19

### **Restrictions**

Loss of legal power of each provision of the Agreement during the next period after the date of signing the Agreement shall not be considered as a loss of legal power of all other terms agreed between the Parties.

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**Article 20**

## Alteration of the Agreement

The Manager is entitled to alter or cancel the terms of this Agreement at any time and at his own discretion informing a Client in a written form in a month prior to alteration. In case if any objections or notifications are not received by the Client in a written form within a month from the date of sending the relevant notification regarding alterations of this Agreement, then the alteration or any amendments shall be accepted as the terms, agreed mutually between the Parties. In case if alteration or amendments to the Agreement are not agreed between the Parties, then the Parties shall have the right to cancel the Agreement unilaterally. The Client shall accept legal power of any amendments and alterations of the Agreement between the Parties made within the framework of relevant legislative requirements for the reasons independent of the Manager have will and without a need of the Client's consent. The Client accepts, understands and signs voluntarily that the Manager has the right to alter and make additions to the Agreement unilaterally on the basis of bilateral legal relations.

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**Article 21**

## The Applicable legislation

This Agreement has been prepared within the relevant legislative requirements of the New Zealand. In case if the Agreement is inconsistent with legal normative acts of relevant regulatory bodies or local legislation the requirements of relevant legislation and legal normative acts shall be applied.

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**Article 22**

## Addresses of the Parties

Actual addresses of the parties are the address listed in the Agreement. Client shall send all type of notifications and instructions against the Manager to the Manager's actual address listed in this Agreement. All type of notifications, reports and instructions against the Client shall be sent to the addresses provided in the Consumer Agreement Form by the Manager. If the Parties are not informed about the changes in their addresses in a written form, then the actual addresses provided in the Agreement shall be accepted as the addresses to send appropriate notifications, reports and instructions.

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**Article 23**

## Execution place of Agreement

The execution place of all kinds of mutual liabilities regarding the Agreement is the actual address of the Manager or the address of its appropriate branches and representations.



Article 24

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## Compensation for loss

The Client accepts to pay the Manager sanctions, advocate costs, court fees and investigation costs regarding his illegal activities and absolve of the Manager with the comments received from the third Parties.

Article 25

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## Authorized Court

Disagreements and disputes arising from the interpretation of Parties' obligations on the terms of this Agreement shall be resolved by negotiations. Disputes shall be regulated by the relevant courts, in the case of failure to make a consensus on the disputes arising from the terms of this Agreement.

Article 26

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## Confidentiality

Both the Manager and the Client may provide to each other or to their related persons technical, commercial and other type of confidential information on organizational structure, culture, strategy, policy, financial position, marketing plan, expected income, technology and rights and obligations of the company. The Client accepts not to reveal this information to third parties, excluding the terms provided in this Agreement. Parties may disclose this information if the written consent on information submission is received by the other side and if the submission of this information is required by investigating authorities based on the court decision, along with informing the other side about the court process. Parties are not responsible for disclosure of information about their activities by other persons to third parties.

Article 27

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## Previous contracts

Previous contracts and agreements signed between the Parties within the framework of this Agreement shall be legally valid between the Parties, unless mutual rights and obligations agreed on the terms of this Agreement are not contrary.

Article 28

### Joint accounts

Each of joint account owners shall be authorized to give any type of orders and instructions on the Client account in accordance with the terms of the Agreement without a need of any oral or written consent of other partners unless the opposite is not sent to Manager in a written form. Each of joint account owners is fully responsible for execution of obligations arising from the terms of the Agreement. Execution of Manager's liability by any joint account owners exempts the Manager from any obligations against other partners. Full execution of obligations by each of joint account owners against the Manager exempts other partners from obligations as well.

Article 29

### Other provisions

Having completely read this Agreement, the parties, accept and recognize that, there is no need to sign each page separately and agree with the all clauses and provisions specified in this Agreement.

Please write with your signature:

*"I agree with the terms of the Agreement."*

Customer Name, Surname

**Invest-AZ Limited**  
Level 1, 11 Alma Street Newmarket Auckland  
1023, New Zealand  
+ 64 (9) 889 06 9 | info@invest-az.com  
URL: [www.invest-az.com](http://www.invest-az.com)

**Director:**  
**Lesley Campbell**

Customer Signature \_\_\_\_\_ Date    \_\_\_\_\_ Signature \_\_\_\_\_

Country

City

