

PingPong Intelligence Limited

Terms of Business for Leveraged Foreign Exchange Trading Services

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General terms

1 Introduction

1.1 About these Terms of Business

THESE TERMS OF BUSINESS (INCLUDING THE ADDITIONAL TERMS (AS DEFINED BELOW) TOGETHER, THE “ACCOUNT AGREEMENT”) SET OUT THE BASIS ON WHICH PINGPONG INTELLIGENCE LIMITED, (“PINGPONG INTELLIGENCE”, “WE”, “US” OR “OUR”) WILL PROVIDE SERVICES IN RELATION TO LEVERAGED FOREIGN EXCHANGE TRADING TO THE PERSON(S) NAMED IN THE ACCOUNT APPLICATION FORM FOR OPENING A LEVERAGED FX TRADING ACCOUNT (“CLIENT”, “YOU”, “YOURSELF”).

THE ACCOUNT AGREEMENT CONSTITUTES A LEGALLY BINDING CONTRACT BETWEEN YOU AND PINGPONG INTELLIGENCE WHICH YOU ACCEPT FOR YOURSELF AND ON BEHALF OF ANY PRINCIPAL OR PRINCIPALS ON WHOSE BEHALF YOU ARE ACTING AS AGENT BY GIVING US ORDERS TO DEAL WITH OR ACCEPTING SERVICES WITH US. THE ACCOUNT AGREEMENT SHALL COME INTO FORCE ON THE DATE THAT WE APPROVED THE SIGNED ACCOUNT APPLICATION FORM FROM YOU.

PLEASE READ THESE TERMS OF BUSINESS CAREFULLY.

1.2 About PingPong Intelligence

PingPong Intelligence is licensed by the SFC to conduct Type 3 (Leveraged Foreign Exchange Trading) regulated activity in Hong Kong and is subject to the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and its subsidiary legislation, as well as the rules, codes and guidelines of the SFC currently in force as may be amended from time to time. PingPong Intelligence’s CE number is BOW876. PingPong Intelligence has its principal place of business at Unit 07, 12/F., Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong.

1.3 Additional Terms

The following documents (“**Additional Terms**”) as may be amended from time to time and published on our website, are incorporated by reference to these Terms of Business and form part of your contractual relationship with us:

- (a) Account Application Form;
- (b) Margin Call Policy;
- (c) Order Execution Policy;
- (d) Personal Information Collection Statement; and
- (e) Such other documents or publication issued or specified by us from time to time.

These Terms of Business prevail over Additional Terms if there is any inconsistency between them concerning the Leveraged FX Trades or the Services, except where specified otherwise.

For your own protection, you should read and fully understand the Account Agreement prior to submitting your Account Application Form to PingPong Intelligence. If you do not understand anything in the Account Agreement, you should contact us to ask for further information or seek independent professional advice before you open an Account, place any Order or enter into any Transactions with us.

You should not sign the Account Application Form for opening an Account if you are unsure as to the effects of the Account Agreement or the nature of the risks involved. If you complete, sign and submit the Account Application Form for opening an Account with us, you acknowledge and confirm to us that you have read, received and understood the Account Agreement in its entirety and that you understand and agree that your relationship with us will be governed by the Account Agreement. If there are any unauthorized alterations or deletions of these Terms of Business, such alterations and deletions shall not be binding on us. By your continued use of our Service and System, you are deemed to be bound by the Account Agreement.

2 Definitions and Interpretation

Terms used in these Terms of Business are defined in Appendix 1. The rules for interpreting the provisions of these Terms of Business are also set out in Appendix 1.

3 Scope of Services

3.1 Services scope

- (a) We may provide Services on these Terms of Business and such other terms and conditions as we may specify. We have the right to do the following (or any of them) from time to time without prior notice:
 - (i) introduce new (or new types of) services;
 - (ii) vary, suspend or withdraw any existing (or existing type of) services; and
 - (iii) specify or vary the scope and extent of the services.
- (b) The Services that we may provide include the following services (or any of them):
 - (i) processing an Order to execute Leveraged FX Trades with us;
 - (ii) sending electronic statements and confirmation relating to the Services; and
 - (iii) any other services as we may agree with you from time to time.

3.2 General conditions applicable to Services

- (a) **(Applicable Regulations prevail)** Provision and use of the Services are subject to Applicable Regulations. In this connection:
 - (i) In the event of any conflict or inconsistency between these Terms of Business and any Applicable Regulation, that Applicable Regulation shall prevail.
 - (ii) You are bound by the Applicable Regulations and any action or step taken by us to prevent or remedy a breach of the Applicable Regulations, as if the Applicable Regulations are expressly set out in these Terms of Business.
- (b) **(Our relationship)**
 - (i) We (and our employees or representatives) have no fiduciary, trustee, agency or similar obligations to you in relation to the Services.
 - (ii) If we solicit the sale of or recommends any financial product to you, the financial product must be reasonably suitable for you having regard to your financial situation, investment experience and investment objectives. No other provision of these Terms

of Business or any other document we may ask you to sign and no statement we may ask you to make derogates from this Clause.

- (iii) **You use the Services and the System as a channel for executing Leveraged FX Trades with us, each party acting as principal for and on your own behalf. Before entering into a Leveraged FX Trade, you should assess it having regard to your investment objectives, financial conditions and other relevant circumstances and the risks associated with that Leveraged FX Trade. You should make your own independent investment decisions.**
- (iv) **You understand that any information, proposal or other communication from us, including market research and commentary, is merely for your reference. You are also advised to seek independent legal and tax advice in relation to your obligations for conducting Leveraged FX Trading and using the Services.**
- (v) We have the right (but have no obligation), without prior notice to you or prior consent from you, to take such steps from time to time as we consider appropriate to enable us to provide the Services and to exercise our authority or powers under these Terms of Business. Such steps may include take action or not to take action in order to comply with any Applicable Regulations.
- (vi) We will notify you if there is any material change in our name, our address, our licence status with the SFC, our scope of Services and the key terms under these Terms of Business (including fees and charges and the Margin Requirement).
- (vii) We will upon your request provide you with contract specifications, a full explanation of margin policies and the circumstances under which your positions in any Leveraged FX Trades may be closed out without your consent.

4 Accounts

4.1 Opening of an Account

- (a) No Orders can be placed until an Account has been opened and either cleared funds received or Margin credited to the Account by virtue of the credit facility that we provide you. Without prejudice to the foregoing, if we permit you to place an Order notwithstanding that an Account has been opened, or cleared funds received, this shall not limit your liability to us pursuant to these Terms of Business in respect of the Order placed or any resulting Transaction.
- (b) In order to use the Services, you must open and maintain with us an Account in a Base Currency. You may open and maintain one or more Accounts each in a Base Currency other than Hong Kong Dollar upon our approval.
- (c) In connection with the operation, maintenance and closing of any Account or Services, you must complete and be bound by the terms of such forms or documents, and provide us with such other information or documents, as we may reasonably require. The information that you provide must be complete, accurate and up-to-date.
- (d) We may accept or refuse any application or request for any Accounts and/or Services without giving any reason.
- (e) We have the right to set and vary limits relating to the use of the Account and/or Services.

4.2 Operation of an Account

- (a) By placing funds with us, you agree that all funds transferred into your Account is for trading purposes only, including for securing or covering your present, future, actual, contingent or prospective obligations to us in relation to or in contemplation of conducting a Leveraged FX Trade with us under these Terms of Business.

- (b) Subject to the Applicable Regulations, we shall be entitled to deposit or transfer any monies held in the Account or received for or on the Account with or to, or interchangeably between one or more segregated account(s) opened and maintained by us, each of which shall be designated as a trust account or client account, at one or more authorised financial institution(s) and/or any other person(s) approved by the SFC for the purposes of the Client Money Rules.
- (c) You acknowledge and agree that we will not pay you interest on any funds provided to us and you expressly waive any entitlement to interest.

4.3 Payments and Withdrawals

(a) (Payments to Account)

- (i) Unless otherwise agreed by us in writing, you undertake to make the appropriate payments or have the necessary Margin available in your Account in connection with your trading activities on or before the date you place an Order with or through us.
- (ii) You may place funds in your Account by cheque or crossed cheque, bank wire transfer or any other method specified by us. We do not accept payment or deposit of funds in the form of cash except under exceptional circumstances and subject to compliance with Applicable Regulations. You shall inform us of such payment. All payments into your Account will be converted from the currency in which they are received into the Base Currency of the Account based on the Exchange Rate at the time of conversion.
- (iii) You are responsible for all third party electronic or telegraphic transfer or other bank fees in respect of payment as well as any fees or charges imposed by us based on your elected payment method.
- (iv) Any payment to any Account will not be treated as received until it is in immediately available funds. We are not liable for the time it may take to clear payment. You are not entitled to use or withdraw the funds until they have been cleared.

(b) (Withdrawals from Account)

- (i) You are not allowed to withdraw funds from an Account except as set out in these Terms of Business.
- (ii) Only where the balance in the Account exceeds the applicable Margin Requirement, you may request to withdraw funds from the corresponding Account up to the balance in the Account minus the Margin Requirement for that Account and minus such fees, charges and interest already incurred but not yet reflected in the Account.
- (iii) We have the right to deduct any reasonable costs or charges from the amount to be withdrawn in connection with the withdrawal or the Services (or both) before paying it to you.
- (iv) For the purpose of withdrawing funds from the Account, pursuant to your Orders, we shall arrange for wire remittance of all or part of the funds in your Account to another bank account in Hong Kong opened in your name or by crossed cheque naming you as recipient. We will not make any such payments in cash. You acknowledge that we may in our sole discretion reject any requests for payment or fund transfer to any third parties.

4.4 Interest

(a) (Interest on overdue amount)

- (i) If you do not pay any amount under these Terms of Business when it is due, you are required to pay interest charges on demand (whether before or after judgment) at the interest rate we reasonably set and calculated on a daily basis.

- (ii) Interest on any outstanding amount owing by you will be calculated and payable in the following manner:
 - (A) such interest will accrue on a daily basis;
 - (B) such interest will be payable in the same Currency as the outstanding amount; and
 - (C) such interest will be payable for the period beginning on the day from which the outstanding amount becomes due up to and including the day on which we receive payment in full.
 - (iii) You are required to pay all interest payable by you without any deduction or withholding. If any deduction or withholding from an interest payment is required, you should pay an additional amount equal to the necessary deduction or withholding amount to ensure that we receive the full amount of interest payable by you.
- (b) **(Interest rates)**
- (i) We will notify you of the rate of any interest payable by you under this Clause 4.4 via statements of account, the System or such other means if required by Applicable Regulations.
 - (ii) We have the right to vary any interest rate from time to time. We will give you notice by way of display at our website or in any other manner we consider appropriate.
- (c) **(Your responsibility for paying interest on time)** You are responsible for paying interest on time having regard to the time necessary to clear payment. If we do not receive any interest payable by you on its due date for any reason (including due to any time taken to clear your payment), we have the right to charge interest on any outstanding amount of the accrued interest.

4.5 Erroneous Credits

If we credit an amount to an Account by mistake or if any payment made by you for a Leveraged FX Trade fails to clear and consequently we do not receive the funds, we have the right to reverse that credit or cancel that Leveraged FX Trade (or both).

4.6 Dormant Account

If you do not effect any Leveraged FX Trade for a period of at least twelve months, we have the right to designate your Account as “dormant” and block your access to the System and your ability to give any Orders. If you request to reactivate the Account, you have to supply and execute necessary information and documents as we may reasonably require. We have discretion to decide whether to reactivate the Account.

5 Orders

5.1 Channels for giving Orders and accessing Services

You understand and accept that:

- (a) all Orders and Transactions will take effect in accordance with, and will be subject to, Applicable Regulations and these Terms of Business.
- (b) we may refuse to accept or execute any Order from you, without giving any reasons or notice to you.
- (c) we may cancel, amend or vary any Order previously given by you provided that we have not acted upon your Order and subject to Clause 17.

- (d) acceptance of any Order does not constitute any agreement or representation that we will execute the Order. **A valid contract will only be formed when you receive a trade confirmation from us or the System shows that an Order has been executed (whichever is earlier).** No failure on the part of us to execute any Order given by you for the entry into any Transaction shall give rise to any claim by you against us.
- (e) you authorise us to accept, act on and rely on any Order. All such Orders and Transactions will be binding on you whether made with or without your authority, knowledge or consent. You must immediately notify us if you become aware that there are Transactions in the Account in respect of which you did not give any Orders.
- (f) unless we inform you that Orders can be given by telephone, you must give us Orders via the System. Giving Orders via telephone is only available during the Trading Hours.
- (g) the System (accessed via computer) is the primary channel for your use of the Services, even if other channels of access or giving Orders are available. If you access the System via your smartphone or mobile computing device, you may not be able to use all functions of the Services.
- (h) any internet and electronic communications may not be secure, reliable or timely. There is a risk that any Order sent by you through the System or other electronic means may be intercepted, copied, adapted or imitated by third parties.

5.2 System Orders

- (a) **(Accessing the System)**
 - (i) To access the System, you must log-in using the appropriate Authenticators. You have to access the System using a web browser running on a computer, smartphone or mobile computing device with an internet connection. We may impose minimum requirements as we consider appropriate on hardware or software used to access the System.
- (b) **(Unavailability of the System)**
 - (i) We have the right to block access to the System:
 - (A) for certain scheduled periods outside Trading Hours for operational maintenance. We may publish or give notice of these maintenance periods in advance. You may also enquire about them; and
 - (B) during Trading Hours for maintenance requirements or other reasons in the case of emergency, or upon governmental or judicial intervention or in any other case where required by Applicable Regulations. Where practicable, we will give reasonable prior notice on the System.
 - (ii) You understand and accept that:
 - (A) the System may suffer unforeseen interruptions and be unavailable for indeterminate periods of time during which no alternative access facilities may be available; and
 - (B) we are not responsible for and cannot control the functioning or configuration of your equipment or the availability or reliability of the internet connection to the System.

5.3 Telephone Orders

- (a) **(Giving Telephone Orders)**
 - (i) Upon our approval, you may give Orders in relation to the Services via telephone. We have the right to charge an additional fee for handling such Telephone Orders.

- (ii) Telephone Orders, to be effective, must be:
 - (A) made by providing the required information for identity verification and security purposes. In the case of companies, you may advise us the identity of any Authorised Person giving Orders on your behalf; and
 - (B) accepted by us by such means specified by us.
 - (iii) We are entitled to set from time to time the telephone number through which Telephone Orders can be given.
 - (iv) When Orders are given over telephone, we shall acknowledge receipt of the Orders orally or in writing, as appropriate.
- (b) **(Unavailability of Telephone Orders)**
- (i) We have the right to refuse Telephone Orders:
 - (A) for certain scheduled periods outside Trading Hours for operational maintenance; and
 - (B) during Trading Hours for maintenance requirements or other reasons in the case of emergency, or upon governmental or judicial intervention or in any other case where required by Applicable Regulations.
 - (ii) You understand and accept that:
 - (A) your use of Telephone Orders may be subject to unforeseen interruptions and unavailable for indeterminate periods of time during which no alternative access facilities may be available; and
 - (B) we are not responsible for and cannot control the functioning or configuration of your telecommunication equipment or the availability or reliability of the connection to give Telephone Orders.

5.4 Access Security

- (a) You agree that you will access the System and the Services (as applicable) by only using the Authenticators that are assigned to or by you. You also agree that you will not, and will not attempt to, circumvent, evade, disable, disrupt or override any security measures of the System or the Services (as applicable).
- (b) You agree that your Authenticators are for your exclusive use to access the System and the Services. You should not share or reveal your Authenticators with any person and should not allow any other person to access the System and the Services.
- (c) You will ensure that all Authorised Persons have been given suitable and requisite training in the use of the Authenticators and/or the System.
- (d) You agree that you are solely responsible for safeguarding your Authenticator. You agree to take all reasonable care and appropriate security measures to ensure that your Authenticator does not become known to any other person, and to prevent unauthorised access to the System. These measures include not leaving the System running unattended, and logging out of the System when you finish using them.
- (e) You agree that you will immediately notify us if you become aware of, or have reasonable grounds to suspect, the loss, theft or disclosure to any third party or of any unauthorised use of your Authenticator. We may ask you to confirm in writing any details given. Any change of your Authenticator shall only be effective if it is accepted by us.

- (f) You are liable for and will be bound by all Orders or transactions effected via the platform or by telephone by any person whether authorised by you or not before we actually receive the notice mentioned in Clause 5.4(e).
- (g) You agree that we have the right to invalidate your Authenticator or otherwise block your access to the System or the Services (or both of them) if we detect unauthorised use of your Authenticator, repeated input of incorrect use of Authenticator, or for any other reason that we consider prudent. In that case, you will be unable to access the System or the Services.
- (h) You agree that you are liable for any and all losses, including losses incurred by us or other third parties, that may arise due to:
 - (i) your fraudulent use of the System or the Services;
 - (ii) your gross negligence in using or accessing the System or the Services, including your failure to take reasonable care and appropriate security precautions as described in Clause 5.4(c);
 - (iii) your failure to adhere to the security requirements implemented by us for the System or the Services, including your failure to ensure the proper use and safekeeping of your Authenticator, and any accidental or unauthorised disclosure of your Authenticator to any person.
- (i) We may also suspend or temporarily or permanently withdraw any or all part of the System if there is any defect in or failure of network, communication or computer systems owned or operated by us or you or any Service Providers.

6 Leveraged FX Trading

6.1 Dealing as Principal or Agent

- (a) In relation to any Transaction, we will effect such Transaction as principal unless it is expressly agreed that we will act as agent for you with respect to a certain Transaction or service within the Account Agreement or otherwise.
- (b) Unless otherwise agreed in writing, you will enter into Transaction as principal. If you act as agent, you shall provide us the name (and such other information as we may require) of the ultimate beneficiary on whose behalf you are acting as agent. We shall not be obliged to accept the person on whose behalf you are acting as agent as a Client, and consequently, you agree that we shall be entitled to consider you as principal in relation to any Transaction notwithstanding your notice of acting as agent.

6.2 Leveraged FX Trades

- (a) You may initiate a Leveraged FX Trade with us by giving an Order in accordance with these Terms of Business and any applicable Additional Terms. You are responsible for confirming the accuracy and completeness of the details of any Order before giving it to us.
- (b) We are entitled to rely on any Order received by us via the System or telephone. You agree to bear the risk of any misunderstanding or error of any Order, or the risk of any unauthorised Orders. We are entitled to act in accordance with our regular business practice and procedure and will only accept Orders as long as it is (in our reasonable opinion) practicable and reasonable to do so.
- (c) We have no obligation to verify the identity, capacity or authority of the person giving Orders using your Authenticator, unless we have been notified by you that your Authenticator have been compromised. Orders given using your Authenticator which we reasonably believe in good faith to have been given or authorised by you are binding on you even if such Orders were not given or authorised by you.

- (d) No Order will give rise to a Leveraged FX Trade unless received and executed by our Trading System. We have the right to accept or refuse any Order or to prescribe any condition for accepting an Order without giving any reason. We will acknowledge receipt of an Order. **An Order once executed cannot be cancelled or changed by you.**
- (e) You acknowledge and agree that, subject to the Applicable Regulations:
 - (i) we may take the opposite position to your Leveraged FX Trade either for our own account or for the account of others; and
 - (ii) our employees may conduct Leveraged FX Trades for their own accounts subject to our approval and monitoring.
- (f) We may be unable to perform an Order relating to a Leveraged FX Trade at any specific time, price or price range set out in the Order. We have no obligation to notify you immediately if any Order is not performed or is only partially performed. We have no liability if any Order is not performed or is only partially performed due to market conditions or any other reason beyond our reasonable control.
- (g) An Order may take the form of a market order ("**Market Order**") or an entry order ("**Entry Order**"). A Market Order is executed when it is received by our Trading System at the Exchange Rate in effect and as we consider appropriate at the time of execution. An Entry Order is executed only upon the satisfaction of the criteria specified in the Order. We may (but have no obligation to) notify you (by email or other means) of the execution of an Entry Order.
- (h) When you give an Order, you can elect to specify Stop Loss and/or other limits as we agree applicable to such Order. **However, you should not give any Order or specify any Stop Loss or other limits unless you understand and are willing to accept the associated risks. You will be regarded as having accepted the associated risks if you give an Order or specify any Stop Loss or other limits.** In particular, you confirm that:
 - (i) If you specify Stop Loss for an Order (whether given by way of a Market Order or an Entry Order), when the Stop Loss is triggered, we will place the relevant order but the order may not be executed or may be executed at a price less favourable than the price you specify.
 - (ii) Any Stop Loss may act to your disadvantage due to market fluctuations. You should specify a Stop Loss with caution and only after taking into account the market conditions and fluctuations and the risk you are prepared to accept.
- (i) A Leveraged FX Trade executed pursuant to an Order will be shown on the System. However, the execution of an Order and the resulting Leveraged FX Trade will not be affected or invalidated even if the Leveraged FX Trade is not shown on the System.
- (j) When reporting Leveraged FX Trades that are executed pursuant to Orders, we may combine the details of a number of Orders into one transaction record or split the details of one Order across a number of transaction records where the Order closes out all or a portion of the existing Open Positions.
- (k) It is important for you to note that the execution of Orders will vary depending on the System which you are using for your trading activities. We highly recommend that you refer to the risk disclosure before you begin your trading activities and subsequently on a regular basis.
- (l) We will try to execute the Orders as soon as practicable but market conditions, available liquidity and technological issues can affect the time taken to execute the Orders. We cannot guarantee that an Order will be executed even if the price is reached. We do not accept any actual or potential loss you may suffer if there is a delay in execution.
- (m) If we execute a Converting Leveraged FX Trade pursuant to an Order, the additional terms in Appendix 3 (Converting Leveraged FX Trade Terms) will apply in relation to such Converting Leveraged FX Trade. In the event of a conflict between the terms in Appendix 3 and the

terms contained in any other part of these Terms of Business, the terms in Appendix 3 will prevail.

6.3 Price Quotation

- (a) We may provide the Quotation Price via the System. We will provide the Quotation Price via telephone only if we have informed you that Orders can be given by telephone and you do not have access to the System. The Quotation Price is a bid or offer price at which we are willing, in principle, to enter into a Leveraged FX Trade for a relevant Currency or Currency pair. Any Quotation Price provided by us is intended for this purpose only. You should not use it for any other purposes.
- (b) Quotation Prices represent our prices only. We give no express or implied confirmation that any Quotation Price provided by us represents prices available in the market for the relevant Currency pair.
- (c) We have discretion to determine and revise from time to time the spread between the bid and offer price for a Currency pair.
- (d) Any price quoted by us on the System or telephone is valid only at the exact time that it is quoted on the System or telephone. You accept that in a rapidly changing market, the price quoted on the System or telephone may no longer be valid at the time an Order is received by our Trading System.
- (e) You agree that, if an Order is executed by our Trading System, the Order will be executed at the Exchange Rate at the time of execution, subject to the limit (if any) specified for that Order. You understand and accept that Orders are not executed instantaneously as they are received by our Trading System. There may be a delay between the time when you give an Order and when the Order is executed by our Trading System. You agree that we are not liable for any loss or damage you may incur or suffer due to changes in Exchange Rates in the interim before execution of an Order.
- (f) You agree that we are not liable for any loss or damage you may incur or suffer in the event of any misquotation of prices by us to the extent that it is attributable to any cause or circumstance that is beyond our reasonable control.
- (g) We have the right to cancel, rescind or modify the price of any Leveraged FX Trade executed pursuant to an Order if, within a reasonable time following execution, we determine that the price at which the Leveraged FX Trade was executed was erroneous due to circumstances beyond our reasonable control, including illiquid market or other market circumstances, system malfunctions or errors in information provided by information providers.
- (h) You agree that you will neither use nor permit any of your customers, employees, agents or any other third parties to use the Quotation Prices for any other purposes not expressly authorised in these Terms of Business. You further agree that you will not use the Quotation Prices in any manner that would cause any party to become a party to any unlawful act or transaction.
- (i) You agree to provide us with all information and necessary assistance to enable us to provide Quotation Prices on the System.
- (j) You acknowledge that you are responsible for, at your sole expense, providing all necessary equipment at our requests from time to time for you to access and use the Quotation Prices, including computers, computer systems, servers, peripheral equipment operation systems, applications, communications software, internet access, telecommunications equipment and other equipment and software.
- (k) You acknowledge and accept that using the Quotation Prices will expose you and your customers to the risks associated with the use of computers and data feed systems relied on by us. Such risks include failure of hardware, software or communication lines or systems.

6.4 Trading Hours

- (a) Leveraged FX Trades may only be effected during the Trading Hours set by us from time to time. We have the right to set or vary the Trading Hours without prior notice. For clarity, you may have access to the System and Services outside of the Trading Hours but you will not be able to give Orders.
- (b) Publishing the Trading Hours does not affect our right to vary the actual period on any Business Day during which we receive Orders as we consider appropriate.

6.5 Rectifying Invalid Leveraged FX Trades

- (a) You have to notify us promptly if you become aware of any Invalid Leveraged FX Trade. We have the right to take such corrective action as we consider appropriate without giving you prior notice. Such action includes reversing or (with your consent) amending:
 - (i) an Invalid Leveraged FX Trade; and
 - (ii) any subsequent Leveraged FX Trade executed prior to our corrective action which are affected by that Invalid Leveraged FX Trade.
- (b) If we reverse or amend any Invalid Leveraged FX Trade, we will use commercially reasonable efforts to restore the Account to the status it would have been if that Invalid Leveraged FX Trade had not been executed or had been correctly executed (as applicable). The fact that we have confirmed any Leveraged FX Trade does not preclude us from taking corrective action to reverse or amend any Invalid Leveraged FX Trade.
- (c) For the avoidance of doubt, an Invalid Leveraged FX Trade does not include a Leveraged FX Trade executed (i) by you by mistake, (ii) by someone other than yourself using your Authenticator, (iii) as a result of failure of your computing device or internet connection, or (iv) as a result of your failure to give a correct Order through the System or telephone.

6.6 Market or System Disruption

- (a) If we become aware of a Market Disruption Event or a System Failure Event, we may suspend the Services or our Trading System (or both). This Clause may also apply if any Leveraged FX Trade has been entered into before the suspension but after the occurrence of the Market Disruption Event or System Failure Event. Upon suspension of the Services, you will not be able to give Orders.
- (b) Prices quoted by us on the System following resumption of the Services or our Trading System after a suspension may significantly differ from the prices quoted by us before or at the time of the suspension (or at the start of the relevant Market Disruption Event or System Failure Event preceding the suspension).
- (c) If a Market Disruption Event or a System Failure Event occurs, we have the right to close out your Open Positions at any time, if at that time we reasonably expect the Market Disruption Event or System Failure Event to be continuing. For closing out your Open Positions, we will use the prices determined by us taking into account the Market Disruption Event or System Failure Event, the prevailing market conditions at the time of the close out and other factors we reasonably consider relevant.

6.7 Available Currencies

- (a) We have discretion to set or vary from time to time which Currencies (including pairs of Currencies) may be available for Leveraged FX Trades under these Terms of Business.
- (b) We have discretion to decide that any Currency or Currency pair will no longer be available on the Services taking into account the relevant circumstances including where the Currency or Currency pair ceases or is likely to cease to be freely tradable on a foreign exchange market. If we decide that any Currency or Currency pair is not available, we have the right to take or require you to take such action as we consider appropriate. Our right includes taking

action to close out or re-denominating (or both) your Open Positions in or relating to the Currency or Currency pair that ceases to be available, whether by way of novation or amendment (in each case, at such time and on such terms as we consider appropriate).

6.8 Close-out of Open Position

- (a) An Open Position may be closed out, in whole or in part, due to an Order, an Automatic Closeout, our exercising of a termination right under these Terms of Business or any other reason. In closing out an Open Position, we will determine the Unrealised Profit/Loss associated with that Open Position in the following manner:
 - (i) we will determine the Unrealised Profit/Loss based on the prevailing Exchange Rate as we consider appropriate at the time of the close-out;
 - (ii) the Unrealised Profit/Loss will be denominated in the Base Currency of the Account relating to that Open Position; and
 - (iii) the amount of Unrealised Profit/Loss will take into account of any interest, fees and other charges payable by you and any other amount owing by you to us.
- (b) If a net amount is payable by us to you, we will credit such amount to the Account denominated in the same Base Currency.
- (c) If a net amount is payable by you to us, you authorise us to debit such amount from the Account denominated in the same Base Currency. If there are insufficient funds in that Account to pay such net amount in full, any shortfall amount will remain your Indebtedness and you are liable to pay interest in accordance with Clause 4.4.

6.9 Rollover fee on Open Positions

- (a) A Leveraged FX Trade is generally considered an open-ended contract with no definitive close date. Open-ended Leveraged FX Trade may be rolled over each trading day until you make an Order to close such Leveraged FX Trade ("**Rollover**"), provided that we accept and act on such Order.
- (b) We reserve the right to disable the Rollover at any time. We will notify you as soon as reasonably practicable should we decide for whatever reason to discontinue the Rollover.
- (c) If you maintain an Open Position with us and you roll that Open Position with us from one day to the next, we will charge you a Rollover fee relative to that Open Position, which will vary between currency pairs and depend on the amount of the Open Position.
- (d) The Rollover fee is subject to change and will be made available on our System and/or website.
- (e) If any amount of the Rollover fee is not denominated in the Base Currency of that Account, such amount will be converted into that Base Currency at the Exchange Rate.
- (f) The Rollover fee may be positive or negative, meaning that you will either owe money to us or receive money from us each night an Open Position is rolled over. The Rollover fee will be credited to or debited from the Account relating to the Leveraged FX Trade on a daily basis, following the end of Trading Hours for that day, if the Open Position is being rolled over.

7 Margin and Automatic Closeout

7.1 Margin Requirement

- (a) Prior to entering a Leveraged FX Trade with us, you are required to place an Initial Margin and maintain such funds as Margin to meet the Margin Requirement with us.

- (b) We have the right to set or vary Margin Requirements from time to time in our sole and absolute discretion. Changes in the Margin Requirement will apply to all Open Positions (i) that are existing on the effective date of the changes, and (ii) that are opened after the effective date of the changes.
- (c) You are required to maintain with us such funds as Margin or additional Margin within such time as we may require from time to time. Without limiting the effect of any other provision of these Terms of Business, we are entitled to refuse to execute any Order unless we have actually received sufficient funds as Margin.

7.2 Your responsibility to check Margin Requirement

- (a) You are responsible for regularly logging on to the System to update yourself of your Open Positions and the applicable Margin Requirement.
- (b) We may vary the Margin Requirement at any time without giving reason or prior notice. We have no obligation to remind you of your Open Positions, Margin Requirement or the timing or amount of Margin or additional Margin required to be placed with us.
- (c) You understand and accept that the primary channel of communication in relation to the Services between you and us is the System (accessed via a computer), even if we may provide other channels of communication for your convenience. Under no circumstance will we be liable for any loss or damage you may incur or suffer as a result of any failure to deliver any notification (including any notification in relation to a Margin Call or an Automatic Closeout), or the frequency, accuracy or timeliness of information provided in such notification via any channel.

7.3 Margin Policy

- (a) Before we execute a Leveraged FX Trade, you are required to have sufficient funds in the Account relating to that Leveraged FX Trade, in excess of the applicable Margin Requirement following the execution of that Leveraged FX Trade.
- (b) You are solely responsible for ensuring that the Margin Requirements applicable to an Account are met at all times by placing additional funds required as Margin or by reducing or closing out the Open Position in that Account.
- (c) If the Margin Requirement is not met, the Open Positions in that Account will be subject to our Automatic Closeout right. We may (but have no obligation to) send you any Margin Call, reminder or warning message via the System or any other means. You are solely responsible for monitoring your Accounts and maintaining sufficient funds in your Account to meet the Margin Requirements from time to time. If we make available the information on the System, you will be regarded as notified of the events (including the Margin Call as applicable) from the time such information is made available on the System, even if you do not log onto the System or even if you do not receive or read a message through the System or other means.
- (d) We have the right (but have no obligation) to apply or set off the amount payable and owing by you to us as determined pursuant to a Leveraged FX Trade against any amounts owing by us to you, whether under any other Account.
- (e) The value of any Margin Requirement determined by us at any time is final, conclusive and binding on you.
- (f) You understand and accept that the System and the Service may be unavailable from time to time, which may delay or affect your ability to place additional Margin or give Orders. You are responsible for taking prudent measures and maintain sufficient Margin to meet the Margin Requirements from time to time, including additional Margin required. **You should read our margin policy carefully, and seek independent advice as necessary. We are not liable for any loss or damage you may incur or suffer due to your inability to access the System or the Services or to timely place an Order or make a transfer to an Account for any reason, including due to the unavailability of the System or the Services. This**

Clause does not reduce our rights as set out in these Terms of Business, including our Automatic Closeout right.

8 Charge

- (a) In consideration of our providing or continuing to provide the Services to you, you as beneficial owner hereby charge and agree to charge in our favour, with the intent that it takes effect by way of first fixed charge, any and all moneys in any Base Currency now or at any time and from time to time standing to your credit or for your benefit on all Account together with all rights and benefits attaching or accruing to such moneys, as a continuing security for the punctual repayment of any Indebtedness arising from or in connection with these Terms of Business.
- (b) You confirm and agree that:
 - (i) The Account or Margin is and should remain in your sole beneficial ownership, free from encumbrances, claims and any third party interest except this charge;
 - (ii) You are not entitled to and will not withdraw or attempt to encumber, transfer, assign or otherwise deal with or dispose of the Margin except as permitted under these Terms of Business or as directed by us or with our consent;
 - (iii) You will not create or permit to arise any encumbrance or third party rights over any Account or Margin (or any rights and benefits attaching or accruing to any Account or Margin). You will not take any action which might prejudice the effectiveness and enforceability of this charge; and
 - (iv) You will obtain and maintain in full force and effect all governmental and other approvals, authorities, licenses and consents required in connection with this charge.
- (c) You agree that we have no obligation to use the Account denominated in one Base Currency as security for the Indebtedness arising from or in connection with an Account denominated in another Base Currency.
- (d) This charge is a continuing security and shall not be affected by and may be enforced by us even if we hold any other security. Any restriction on the right of consolidating security shall not apply to this security. If an Event of Default occurs, we will be entitled to enforce this security and take the following action (or any of them) without demand, notice, legal process or any other action with respect to you:
 - (i) retain or apply the whole or any part of the Margin and any credit balance in any Currency on your Account; and
 - (ii) combine or consolidate all your Accounts.

We are not liable for any loss arising from or in connection with such retention, application, combination or consolidation. For this purpose, you irrevocably authorise us to purchase with money standing to the credit of your accounts such other Currencies as may be necessary to apply such money in or towards satisfaction of the Indebtedness at the Exchange Rate.

- (e) You irrevocably authorise us in your name, on your behalf and as your act, and appoint us as your lawful attorney, without reference to or consent from you, to execute all documents and to do all things as we may consider necessary or useful for the full exercise of all or any of the powers conferred on us and our rights under these Terms of Business. You will, at our request, execute such documents and perform such acts as we may consider necessary or useful in connection with the provision of the Services or the exercise of our powers and rights under these Terms of Business.

9 Confirmation and Statements of Account

- (a) Subject to Applicable Regulations, we will provide you with confirmation, statements of account and other periodic reports relating to the Leveraged FX Trades conducted through your Account:
 - (i) we will provide you with **daily statement** in electronic form through the System (where available). Such statements will generally include confirmations of Transactions (including trade numbers), your end of day trading balance and the profits and losses in your Account (realized and unrealized) and any other information as required by Applicable Regulations. We reserve the right to modify the format and content of the statements from time to time without prior notice to you; and
 - (ii) we may also provide you with **periodic reports** such as monthly statements (in electronic form) through the System concerning the value of your Account in such frequency as we may determine.
- (b) Where the Applicable Regulations do not require us to provide statements for the Account, we may do so at our discretion if we consider appropriate. We may charge reasonable fees for providing a copy of such documents by post at your request.
- (c) The transmission of statements and other materials by electronic means is not safe. We accept no responsibility and you accept the risks specifically associated with accessing statements through the System including:
 - (i) defects in information received by you in using our System due to the use of inappropriate computer equipment, software or internet access to the System by you; and
 - (ii) failure in transmission of information to you via our System due to technological disruption; and
- (d) You understand that:
 - (i) internet and email services may be subject to certain technology risks and disruption;
 - (ii) we will only notify you by email that statements have been posted on the System, and you should check your designated email address regularly for such notice;
 - (iii) revocation of consent to the provision of statements by access through the System will be subject to giving such advance notice by you as we may reasonably require; and
 - (iv) you may be required to pay a reasonable charge for obtaining a hard copy of any statements that is no longer available for access and downloading through the System.
- (e) You should examine each confirmation, statement of account or other periodic reports provided by us to check its accuracy. You should notify us of any alleged error, omission, discrepancy, unauthorised transaction or irregularity in such document within 2 Business Days after we provide it by any means specified in Clause 9(a). If we do not receive any such notice from you within the specified period:
 - (i) such document will be considered as correct, conclusive and binding on you, and
 - (ii) you will be considered to have waived any right to raise objection or pursue any remedies against us in relation to that document.
- (f) Our records shall in all other respect be conclusive. We will process any notification of error or irregularity or any complaint received from you in accordance with our complaint procedures.

- (g) If a dispute arises between you and us relating to the existence or terms of any Transaction, we may at any time without prior notice to or any further authority from you take whatever action that we consider appropriate in relation to such disputed Transaction. We will notify you of any action we have taken but any failure by us to give such notice will not prejudice the validity of such action.

10 Fees and Charges

- (a) We will endeavor to include a comprehensive list of all the fees, costs and expenses and any such variations on our website which will be updated regularly. We will also provide you with fee schedule setting out such fees and charges reasonably incurred arising out of the Account and/or Services.
- (b) We may deduct the fees and charges from the Account(s) as necessary to settle or partially settle all outstanding liabilities you owe to us.
- (c) Our fees and charges generally include:
- (i) **charging an amount on a per trade basis** or other basis as we deem fit (as the mark-up, mark-down, the bid/ask spread of the Transactions you conducted through the System). Such fees may vary depending on a range of factors, including the prevailing market conditions, currency pairs, availability of products in the market etc.;
 - (ii) **charging for incidental fees for providing the Services**, including wire charges for deposits/withdrawals, returned check fees, dormancy fees, phone fees, transfer fees, registration costs, taxes (including stamp duty, stamp duty reserve tax and registration taxes), legal costs and other similar costs and Transaction-related expenses which may include additional expenses attributed by us to the execution of Transactions for your Account and fees arising out of Transactions in your Account;
 - (iii) **charging interests** on all overdue balances in the Account at such rates and on such terms as we may determine and notify you. Such interest will be calculated on a daily basis assuming a 365 day year and payable on the last day of each calendar month or on demand; and
 - (iv) (for corporate clients) charging in accordance with our fee schedule, as amended or which are required by Applicable Regulations.
- (d) All amounts due or payable by you will be payable promptly in freely transferable, cleared and immediately available funds in the currency in which it is due (unless otherwise required by us, without deduction, whether in respect of set-off, counterclaim, taxation or otherwise). If you are required by any Applicable Regulations to make such deduction, you will pay us the full amount owed to us net of such deduction.
- (e) Paid fees and charges are non-refundable even if the Services or any Accounts are suspended or terminated or even if Automatic Closeout occurs.
- (f) Without limiting or reducing the effect of Clause 8 or Clause 16, if any fees, charges and expenses specified in this Clause 10 remain outstanding, we have an Automatic Closeout right. In that case, we have the right to close out any of your Open Positions based on the prevailing Exchange Rate as we consider appropriate at the time of the Automatic Closeout.

11 Your Representations, Warranties and Confirmations

- (a) You represent, warrant and confirm to us that (as applicable):
- (i) you have read and understand the risk disclosure statement set out in Appendix 2 to these Terms of Business;

- (ii) you have the power and capacity to enter into, accept, execute, deliver and perform these Terms of Business and applicable Additional Terms;
- (iii) acceptance, execution, delivery and performance of these Terms of Business and applicable Additional Terms have been duly and properly authorised by you, and do not contravene any contractual or other restriction binding on you, and your obligations under these Terms of Business and applicable Additional Terms constitute your valid and legally binding obligations enforceable in accordance with the provisions;
- (iv) you have obtained and made all authorisations of, exemptions by and filings with any government or other authority that are required by you in connection with these Terms of Business and applicable Additional Terms and the use of the Services and they are in full force and effect;
- (v) all information you have provided to us in connection with the Services is true, complete and accurate in all material respects and any changes to such information will be promptly notified by you to us;
- (vi) you are and will remain the sole beneficial owner of the funds in each Account and you will not create any charge, lien, pledge or other encumbrance over or in respect of such money or assets
- (vii) none of the funds or assets in your Accounts are proceeds of organised crime or money laundering;
- (viii) you will ensure all Applicable Regulations are strictly adhered to at all times;
- (ix) you are willing and able to, financially and otherwise, to assume the risk of making speculative investment;
- (x) by accepting these Terms of Business on behalf of a legal person, you signing on behalf of that legal person represents and warrants that you are authorized to (i) act on behalf of such legal person and (ii) bind the legal person to these Terms of Business and all obligations arising hereunder. If it becomes apparent that the you are not duly authorized to bind the legal person, you shall indemnify PPIL for all liabilities, losses, damages, costs and expenses in relation to any claims or actions brought against PPIL as a result of you not having the due authorisation;
- (xi) the charge given under Clause 8 constitutes and will remain your valid and legally binding obligations enforceable in accordance with its terms;
- (xii) no action, suit or proceedings (whether in Hong Kong or elsewhere) before any court, tribunal, arbitral or administrative body or government agency that is likely to affect the legality, validity or enforceability against you or your ability to perform the obligations under these Terms of Business and Additional Terms is pending or, to your knowledge, threatened;
- (xiii) (in case of a corporation) you are validly incorporated and existing under the laws of your country of incorporation;
- (xiv) (in case of a corporation) you have never been, and are currently not insolvent, a party to a scheme of arrangement or subject to any winding-up petition;
- (xv) you have never been, and are currently not bankrupt. You do not intend to declare bankruptcy and are not aware of any bankruptcy proceedings against you;
- (xvi) you will provide us with all documents and information as we may reasonably require to enable us to comply with any Applicable Regulations (including anti-money laundering laws);

- (xvii) you will do or cause to be done all acts and things necessary or useful for the performance of your obligations under these Terms of Business and Additional Terms, and will ratify or confirm any act or thing done by us as your lawful attorney pursuant to Clause 8(e); and
- (xviii) you are not a Restricted Person.
- (b) You acknowledge and understand that:
 - (i) trading and investing in Leveraged FX Trade is highly speculative and volatile, and involves a high degree of risk, and is appropriate only for persons who can assume the risk of loss in excess of their initial and subsequent deposits;
 - (ii) price changes in the underlying asset may result in significant losses which may substantially exceed your investment and Margin;
 - (iii) when you enter into a Transaction, any profit or loss arising as a result of a fluctuation in the value of the underlying asset will be entirely for your Account and risk;
 - (iv) you are relying solely on your own independent judgement and decision in entering or refraining from entering into any Transaction, and you are not relying on any information provided by any person from us;
 - (v) we do not conduct any manual or automated monitoring on the performance of your Transactions. Hence, we will not monitor the result of your Transactions and cannot be held responsible for any Transactions that may develop differently from what you may have presupposed. You are solely responsible for monitoring your Transactions in light of prevailing market conditions and ensuring that any Order is given on a timely basis;
 - (vi) guarantees of profit or safety from loss are impossible in investment trading. Even low risk investment strategies contain an element of uncertainty. You agree that you have not received such guarantees or similar representations from us or any of our employees or representatives, from any Service Providers or any other entity or person with whom you deal with in connection with your Account;
 - (vii) we do not control or endorse, and is not liable for the accuracy or completeness of any information, recommendation or advice provided or given by any Service Provider or any other entity or person with whom you deal with in connection with your Account; and
 - (viii) we do not guarantee that (i) unsecured email sent by or to you will be received without having been falsified or on time or that they will reach the correctly entered addressee; and (ii) any email showing us as the sender actually comes from us (and, in the case of doubt, you must consult us by telephone or in person).
- (c) These representations, warranties and confirmations are considered for all purposes to be repeated for each Leveraged FX Trade effected pursuant to these Terms of Business and applicable Additional Terms. You agree to notify us promptly if any of these confirmations becomes untrue or incorrect or if you have reason to believe any of them will become untrue or incorrect.

12 Liability and Indemnification

12.1 Limitation of Our Liability

- (a) Except as set out in Clause 12.1(b), we are not liable for the consequences from or in connection with the following cases (or any of them):

- (i) any interruption, suspension, delay, loss, mutilation or other failure in transmission or receipt of orders, information or communication whether via any of our systems (including the System, the Services and the Trading System) or any system of any other person engaged by us to provide or support the Services. Such failure may be caused by system or human error or any other reason;
 - (ii) our failure or delay to receive or execute an Order or enter into a Leveraged FX Trade with you;
 - (iii) the unavailability or suspension of the System, the Services or the Trading System for any reason;
 - (iv) any mechanical failure, power failure, system failure, malfunction, breakdown, interruption or inadequacy of equipment or installation of the System, the Trading System or any other person engaged by us to provide or support the Services;
 - (v) the unavailability of any Currency, including where we determine that any Currency or Currency pair is no longer available through the Services; and
 - (vi) any change in the leverage ratio or the Margin Requirement as specified by us from time to time which may trigger our exercise of any rights under these Terms of Business and applicable Additional Terms.
- (b) If it is proved in a case set out in Clause 12.1(a) that there was gross negligence or wilful default by:
- (i) us;
 - (ii) our agents or nominees; or
 - (iii) our officers or employees or that of our agents or nominees,
- then we will be liable for any loss and damage you incur or suffer that is direct and reasonably foreseeable arising directly and solely from such gross negligence or wilful default.
- (c) We are not liable for any loss, cost or damage of any kind incurred or suffered by you as a result of any interruption, delay or failure (whether total or partial) in providing the Services or the System to you or performing our duties and obligations in respect of them to the extent that it is attributable to any cause or circumstance that is beyond our reasonable control or the reasonable control of our agents or nominees. These causes or circumstances may include the following (or any of them):
- (i) the imposition or change of any Applicable Regulations or any procedures, restrictions or suspensions of trading imposed by any government, regulatory or self-regulatory body;
 - (ii) any Market Disruption Event or System Failure Event;
 - (iii) exchange controls or other government restrictions or regulations, exchange or market rulings or suspension of trading, strikes or similar industrial action; and
 - (iv) the bankruptcy, liquidation, insolvency or failure of any government, exchange, clearing house, financial institution or any other person that is required to perform its obligations in relation to any transaction contemplated by these Terms of Business and applicable Additional Terms.

- (d) You shall be responsible for ensuring that the System is adequately protected against direct and indirect losses, which may result from the installation and use of the computer programs in your computer system. Furthermore, you shall be obliged to make backup copies of all data.

12.2 Indemnification

- (a) Except as set out in Clause 12.2(b), you will promptly indemnify and reimburse:
 - (i) us;
 - (ii) our agents and nominees; and
 - (iii) our officers and employees and that of our agents or nominees

for all actions, proceedings and claims which may be brought by or against us or them, and for all losses, damages and reasonable costs and expenses which we or they may incur or suffer as a result of or in connection with the following (or any of them):

 - (iv) your use of the Services, and the System (including effecting any transaction pursuant to your Orders);
 - (v) any Order entered or transaction effected for or carried in any of your Accounts (whether or not authorised by you);
 - (vi) any default by you in performing your payment and other obligations under these Terms of Business and applicable Additional Terms, including your failure to meet any Margin Requirement or to comply with any limit or restriction imposed by yourself or by us in respect of any trading or use of the Services;
 - (vii) any false or misleading statement or representation made by you;
 - (viii) your failure to timely update or notify us of any material change in information provided to us pursuant to these Terms of Business;
 - (ix) any representation or confirmation made by you being or becoming untrue or incorrect;
 - (x) you are or you become a Restricted Person;
 - (xi) any act or omission by you with respect to any of your Accounts;
 - (xii) any failure by you to comply with any Applicable Regulations or our policies; or
 - (xiii) the preservation or enforcement of our rights or exercise of our powers in connection with the Services and the Accounts.

This indemnity shall continue after the termination of the Services, the Accounts or these Terms of Business.

- (b) If it is proved that any actions, proceedings, claims, losses, damages or amounts set out in Clause 12.2(a) was caused by gross negligence or wilful default of:
 - (i) ours;
 - (ii) our agents or nominees, or
 - (iii) our officers or employees or that of our agents or nominees,

then you are not liable under Clause 12.2(a) to the extent that it is direct and reasonably foreseeable arising directly and solely from such gross negligence or wilful default.

- (c) We are entitled to withhold, retain or deduct such portion from your Accounts as we reasonably determine to be sufficient to cover any amount which may be owed by you under this Clause 12.2.

13 Recording and Document Retention

- (a) In the course of providing the Services, we or our agents or employees may record and monitor Orders or communications with you by recording telephone calls, storing email communications, electronic messages or other means. We may not inform you on each occasion that our system is making such recordings.
- (b) All recordings and other records are our property. We have the right to store and to destroy these recordings after such period of time as we consider appropriate.

14 Termination and Suspension

14.1 Termination or Suspension by Us

- (a) We have the right to terminate any or all Services at any time by giving you not less than 30 days' notice in writing. You are required to ensure that there are no uncompleted Orders or Open Positions at the end of the notice period.
- (b) We have the right to terminate or suspend any or all of the Services at any time upon written notice to you if we determine that any of the following event occurs:
 - (i) your breach of these Terms of Business;
 - (ii) you have no Open Positions in your Account;
 - (iii) continuing to provide the Services will or is likely to subject us to contravene any Applicable Regulations, or there are other reasonable grounds (including suspicion of illegal or improper use of the Services); or
 - (iv) any Event of Default occurs.

14.2 Events of Default

- (a) Each of the following is an Event of Default:
 - (i) you fail to make a payment in accordance with these Terms of Business (including any payment of money as Margin or in settlement of any Indebtedness when due) for any reason;
 - (ii) you fail to perform or comply with any of your obligations or undertakings to us in accordance with these Terms of Business (including failure to comply with any limit or restriction, whether imposed by yourself or by us, in respect of the use of the Services or effecting Leveraged FX Trades);
 - (iii) your death or legal incapacity;
 - (iv) you become bankrupt, insolvent or otherwise unable to pay your debts as they fall due, or we reasonably believe that you may not be able to meet your obligations to us (whether in connection with the Services or in other cases), or your repayment capacity or credit record has materially deteriorated;
 - (v) you breach these Terms of Business (including any breach of the representations and warranties you provide under these Terms of Business) or any other agreement or terms you have entered into with us;

- (vi) if you have supplied false or misleading information to us (including omissions of material facts) in relation to your application for and use of the Services, including information regarding your financial status or investment experience and knowledge;
- (vii) your failure to accurately provide evidence of your identity, capacity and/or authority as per Clause 9;
- (viii) your being or becoming a Restricted Person;
- (ix) your Account being declared by us as “dormant” under Clause 4.6;
- (x) any of your representations or warranties not being true and complete;
- (xi) any change of law which prohibits or renders the provision, maintenance or operation of, the System, the Services, or Trading System illegal;
- (xii) an encumbrancer taking possession of, or a distress, execution, attachment or other process is levied by any enforcement agency or other third party against any Account, any moneys owed by us to you, any assets held by us on your behalf or any of your assets; and
- (xiii) any misuse of the Services by you, including any use of the Services for fraudulent, illegal or, in our reasonable determination, improper purposes.

14.3 Termination by You

- (a) You may at any time terminate the arrangement with us in relation to the Services by giving us not less than 30 days’ notice in writing as long as you have no Open Positions in any of your Accounts. We have the right to close all of your Accounts with effect from the termination date. For clarity, your request to close one or some (but not all) of your Accounts will not be regarded as a request or notice of termination under this Clause 14.3(a).
- (b) Upon giving notice to terminate, you may be restricted from giving any new Orders other than Orders to close out existing Open Positions.

14.4 Consequences of Termination

- (a) Upon the termination of the Services pursuant to Clause 14.1 or Clause 14.3, all amounts due or owing by you to us under these Terms of Business will become immediately due and payable. We are entitled to without giving you notice do the following (or any of them):
 - (i) close your Accounts in such manner as we may consider appropriate;
 - (ii) cancel any incomplete or pending Order or Leveraged FX Trade and close out any of your Open Positions;
 - (iii) calculate a net amount payable by us to you or by you to us in the following manner:
 - (A) closing out any or all of your Open Positions and calculating the net amount payable by us to you or by you to us in respect of those positions on such terms and at such time by reference to the Exchange Rate;
 - (B) applying the Margin in any or all of the Account and any other amount due and owing by us to you towards settlement of any amount payable by you to us as a result of the close-out above and any other amount payable by you to us under these Terms of Business; and
 - (C) reducing any amount due and owing to you by setting off against it any amount due and owing by you to us under these Terms of Business or under any other Terms of Business. Any currency conversion will be effected at the Exchange Rate.

- (b) We have the right to convert any amount due and owing by you to us under Clause 14.4(a) into a single Currency using the Exchange Rates. Any net amount payable by you to us under Clause 14.4(a) is immediately due and payable.
- (c) Any exercise of our rights under Clause 14.4(a) will not limit or reduce any other rights or remedies available to us under these Terms of Business or Additional Terms.
- (d) Even if any or all of the Services is terminated or suspended, you will continue to be bound by these Terms of Business and Additional Terms to the extent that they relate to any of your obligations and liabilities which remain to be performed or discharged.

15 Communications

15.1 General Notices

- (a) Unless expressly stated otherwise in these Terms of Business, and where practicable and permissible under Applicable Regulations, you consent to receiving any communication in connection with your Accounts and the Services via our website, the System or such other means as specified by us from time to time.
- (b) You confirm that we may issue confirmations, receipts, advices, and statements of account in electronic form and you agree to receive them by electronic means.
- (c) All communications from you to us (other than Orders) have to be given in such manner and means specified by us from time to time.
- (d) You confirm that your contact details given to us are accurate. You agree to notify us promptly (in such manner specified by us from time to time) of any change of your contact details (including address, telephone number, mobile phone number and e-mail address) or other material particulars recorded with us. You agree to provide any document or evidence relating to the change of information as we may reasonably require.
- (e) You agree to monitor the information available on the System, your e-mail account and mobile phone short message or other communications on a regular and frequent basis. You are required to notify us of possible discrepancies and irregularities concerning communications received from us from time to time (including any confirmation message and statement of account), without undue delay and within 30 calendar days after you have received or are considered as having received such communications. You will be considered as having received any communication given by us:
 - (i) at the time of personal delivery or leaving it at the address last notified in writing by you (if delivered personally);
 - (ii) 48 hours after posting it to the above address if that address is in Hong Kong or 7 days after posting if that address is outside Hong Kong (if sent by post);
 - (iii) within such reasonable time on the date of dispatch (if sent by telephone, pager, internet, e-mail, facsimile, or other electronic means of communication);
 - (iv) immediately after transmission (if sent by SMS); or
 - (v) immediately after placing it in the System profile maintained by you with us (if made available there).
- (f) Items sent to you or delivered to your authorised representative are sent or delivered at your own risk.
- (g) Translations of these Terms of Business provided to you is made for your reference only. The English version shall be the only legally binding version for you and us. In case of discrepancies between the English version and other translations, the English version provided by us shall prevail.

- (h) We will not be liable for any delays you may face in receiving any communication once dispatched by us, except where the delay is caused by our gross negligence, fraud or willful misconduct.
- (i) You acknowledge and agree that conversations between you and us be recorded electronically with or without the use of an automatic tone warning device. You (i) consent to the recording of telephone conversations in connection with these Terms of Business, any potential Transaction or Transaction and (ii) agree to obtain any necessary consent, and give notice of such recording, to your personnel as may be necessary. You understand that such records will be our sole property. You further agree to the use of such recordings and transcripts thereof as evidence by us in connection with any complaint or legal proceeding which may arise and may be submitted in evidence to any court or in any legal proceeding for any purpose relating to any Transactions or these Terms of Business.

15.2 Online Screen

You accept that individual hardware or software configurations may result in any print-outs of data from our website or the System differing from the screen display. We have no liability for any such difference. We do not warrant that print-outs of any portion of our website or the System will be recognised or accepted by any fiscal, regulatory or any other authorities.

15.3 Customer Service

For customer questions, requests and complaints, we provide a customer service hotline during such hours of operation as specified by us from time to time.

16 Conflicts of Interest

16.1 Potential Conflicts of Interest

- (a) You agree and understand that we may have an interest, relationship or arrangement that is material in relation to any Order effected with or through us under these Terms of Business.
- (b) The following are examples of such material interests and conflicts of interest:
 - (i) we deal with you as principal for our own account;
 - (ii) we may match your Orders with Orders of any other person (whether or not affiliated or connected with us) receiving, in some cases, a second commission from such other person;
 - (iii) we may make a market in a Leveraged FX Trade held, purchased or sold for your Account; and
 - (iv) we may execute a Leveraged FX Trade at a price which is different from the price at which your Order was placed and profited from such transaction.

16.2 Handling of Conflicts of Interest

- (a) We will take reasonable steps to identify and manage conflicts of interest between us and our clients as well as conflicts of interest between clients that arise in the course of our provision of Services for fair treatment of clients.
- (b) Where we have a material interest in a particular Leveraged FX Trade with or for you, we will disclose it to you as soon as practicable.
- (c) We will not be liable to account to you for any profit commission or remuneration made or received from or by reason of transactions described in Clause 16.2(b) or to disclose the same or the identity of any other client or counterparty involved in such transactions, nor will our fees, unless otherwise provided, be abated.

- (d) We may aggregate Orders on your behalf with those of other clients. We will promptly allocate such orders in a fair and equitable manner in accordance with the requirements of the SFC's Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission, as amended from time to time. You acknowledge and agree that such aggregation may operate to your advantage or disadvantage.

17 Manifest Errors, Abusive Trading Strategies and Market Abuse

17.1 Manifest Error

- (a) We will, when making a determination as to whether a situation amounts to a Manifest Error, act fairly towards you. We reserve the right, without prior notice, to amend the details of relevant Transactions to reflect a price which is on or near the prevailing market prices, which will be determined by us in our sole and absolute discretion to be the correct or fair terms of such Transaction in absence of such Manifest Errors.
- (b) If you do not promptly agree to any amendment made under 17.1(a), you should:
 - (i) void from its inception any Transaction resulting from or deriving from a Manifest Error or close or liquidate the Transaction or any Open Position resulting from such Transaction; and/or
 - (ii) refrain from taking and refuse to take any action at all to amend the details of such a Transaction or to void, terminate, close or liquidate such Transaction.
- (c) We shall not be liable to you for any losses resulting from a Manifest Error or any action which we take or refrain from taking in relation to a Transaction notwithstanding any Manifest Error, except to the extent caused by our own fraud, willful default or gross negligence.

17.2 Abusive Trading Strategies

- (a) You represent and warrant to us that **you will not use Abusive Trading Strategies on the System**. Otherwise we may:
 - (i) revoke any Transaction resulting from Abusive Trading Strategies without prior notice to you and regardless of whether such revocation would result in losses in your Account or would cause you to breach your Margin Requirements;
 - (ii) take all necessary steps including making corrections or adjustments on your Account without prior notice, for example, any Transaction placed through the System which relies on price latency or an arbitrage opportunity may be modified, adjusted, corrected, rejected, terminated or voided at any time, without prior notice, at our sole and absolute discretion; and/or
 - (iii) not remit payments to or process withdrawal requests from you until the appropriate corrections are made to our satisfaction.
- (b) We will not be liable to you for any loss, cost, claim, demand or expense you may suffer (including loss of profits or any indirect or consequential losses) resulting from any action we take in connection with addressing your Abusive Trading Strategies, except to the extent caused by our own fraud, willful default or gross negligence.

17.3 Market Abuse

- (a) When we execute a Transaction on your behalf, we may buy or sell on exchanges or directly from or to other financial institutions units in the relevant product. The result is that when you enter into Transactions with us, your Transactions can have an impact on the external market for that product in addition to the impact it might have on our price. This creates a possibility of market abuse and the purpose of this Clause 17.3 is to prevent such abuse.

- (b) You represent and warrant to us that **you will not place and have not placed a Transaction that contravenes any law or regulation prohibiting insider dealing, market manipulation or any other form of market abuse or market misconduct.**
- (c) In the event that we reasonably believe that you act in breach of the representations and warranties given in this Clause 17.3 or any other Clause of these Terms of Business, we may:
 - (i) enforce the Transaction(s) against you if it is a Transaction(s) which results in you owing us funds;
 - (ii) treat all your Transactions as void if they are Transactions which result in us owing funds to you, unless and until you produce conclusive evidence within 30 calendar days of our request that you have not in fact committed any breach of warranty, misrepresentation or undertaking under these Terms of Business; and/or
 - (iii) report to any relevant regulatory authority details of any Transaction or instruction which would be deemed to constitute market abuse. You may also be required to make appropriate disclosures and you undertake that you will do so where so required.

18 Tax

- (a) We will not provide you with any advice on tax issue related to any Services. You are advised to obtain independent advice as appropriate.
- (b) You are responsible for the payment of all taxes that may arise in relation to your Transactions.

19 Retention of Benefits

We and any of our affiliates may from time to time, whether or not amongst themselves or to, from or with any third party, pay, provide, receive or share certain fees, compensation, rebates, profits, commissions, discounts and other benefits or advantages (a "**Benefit**") arising out of or in connection with the provision of the Services. We are not required to disclose or account to you any Benefit except where required by the Applicable Regulations. You forgo any entitlement and claim with respect to any Benefit.

20 Set-off

- (a) Without limiting or reducing our rights under any other provisions of these Terms of Business and Additional Terms, we have the right without prior notice to you to withhold, transfer, use and apply any of your funds or assets in our possession in such manner and on such terms as we consider appropriate to pay and set-off any amount or to discharge obligations owing by you to us. If the funds held by us and the liabilities to be set-off are in different Currencies, we have the right to convert the funds or the liabilities at the prevailing Exchange Rate as we consider appropriate for the purpose of the set-off. Our other set-off rights remain unaffected. For clarity, our exercise of set-off rights under this Clause 20 will not:
 - (i) limit or reduce any other rights we may have under any other agreement with you; or
 - (ii) preclude us from exercising our rights of recourse in respect of any amounts owing by you to us after exercising our set off right.
- (b) Our right under this Clause 20 is not affected by your death or legal incapacity.
- (c) This Clause 20 shall continue after the termination of the Services, the Accounts or these Terms of Business and Additional Terms.
- (d) If an obligation cannot be reasonably ascertained, we may in good faith estimate that obligation and set-off in respect of that estimate.

21 Miscellaneous

21.1 Variation of Terms of Business

We have the right to vary these Terms of Business and Additional Terms from time to time by notice in any manner we consider appropriate. You will be bound by a variation unless we have received notice from you to close the Account or terminate the Services with effect before the date on which that variation takes effect.

21.2 Waiver and Remedies

No failure or delay by us in exercising any right, power or remedy will operate as a waiver of that right, power or remedy. Nor will any single or partial exercise preclude any other or further exercise of a right, power or remedy. Any right, power or remedy under these Terms of Business is intended to be cumulative and in addition to any other right, power or remedy we have in law.

21.3 Assignment by Us or by You

- (a) We may at any time assign or transfer any or all of our rights and obligations to any person without your agreement.
- (b) You are not allowed to assign or transfer any of your rights or obligations to any person unless with our prior written agreement.

21.4 Appointment of Agent or Nominee

- (a) We may appoint and delegate any of our powers to any other person, whether in or outside Hong Kong, as our agent or nominee to perform any of the Services for us. Such person includes any service provider or sub-contractor acting in its capacity as our agent or nominee.
- (b) You authorise us to disclose or transfer to our agent or nominee, whether in or outside Hong Kong, your information and any other information relating to any Accounts or Services.
- (c) We have the right to appoint any person to assist us in collecting and recovering any Indebtedness owing by you to us.

21.5 Your Personal Data

You understand and agree that all your personal data may be used and disclosed by us for such purposes and to such persons as may be in accordance with our policies on use and disclosure of personal data as set out in the privacy policy statement, the personal information collection statement, and other statements, circulars, notices or Terms of Business we have made available to you from time to time. You further agree that we may transfer your personal data submitted to us, to any legal entity within the PingPong Group.

21.6 Third Party Rights

No person other than you and us will have any right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce or enjoy the benefit of any of the provisions of these Terms of Business.

21.7 Entire Agreement

These Terms of Business and Additional Terms embody the entire agreement between you and us, which supersedes all prior written and oral agreements in relation to the Services.

21.8 Severability

Each provision of these Terms of Business is severable. To the extent that any provision is or becomes invalid, unenforceable or contrary to any Applicable Regulations, then it will be given no effect and will

be considered excluded from these Terms of Business without invalidating any of the remaining provisions of these Terms of Business.

21.9 Amendment

- (a) We are entitled to amend these Terms of Business in favour of you without notice.
- (b) Amendments of these Terms of Business which are not in your favour may take place at any time by us giving minimum 7 days' notice. We will provide such notice to you in advance. You are deemed to have accepted any amendments of these Terms of Business if you do not, before the proposed date of their entry into force, notify us that you do not accept the amendments.

21.10 Governing Law, Jurisdiction and Version

- (a) These Terms of Business are governed by and will be construed according to Hong Kong laws.
- (b) Without prejudice to Clause 21.10(c) below, you irrevocably submit to the non-exclusive jurisdiction of Hong Kong courts to settle any dispute arising out of or in connection with these Terms of Business. These Terms of Business may be enforced in the courts of any competent jurisdiction.
- (c) In relation to any dispute between us and you arising out of or in connection with these Terms of Business, we shall, if you so require, agree to refer the dispute to arbitration in accordance with the Securities and Futures (Leveraged FX Trading) (Arbitration) Rules (Cap. 571F of the Laws of Hong Kong).
- (d) The English version of these Terms of Business prevails to the extent of any inconsistency between the English and the Chinese versions. Any Chinese version of these Terms of Business is for reference only.

Appendix 1 Definitions and Interpretation

1 Interpretation

- (a) Unless the context requires otherwise, in these Terms of Business:
 - (i) any reference to “Section”, “Clause” or “Appendix” is a reference to a section, clause or appendix of these Terms of Business;
 - (ii) any reference to an Applicable Regulation is a reference to the same as amended, re-enacted or in effect from time to time;
 - (iii) a singular expression includes the plural and vice versa, and reference to a gender includes any gender; and
 - (iv) any reference to time is a reference to Hong Kong time.
- (b) All Appendices form part of these Terms of Business.
- (c) Headings in these Terms of Business are for ease of reference only and do not affect the interpretation of these Terms of Business.

2 Definitions

Unless we specify or the context requires otherwise, the following terms in these Terms of Business have the meanings set out below.

Abusive Trading Strategies means trading activities which aim to benefit from errors, latencies, internet related issues, connectivity delays and any other circumstance or malfunction of the System whereby the liquidity or pricing displayed on the System does not accurately reflect current market rates, including attacking the System in order to create and abuse price latency opportunities.

Account means an account opened and maintained by us in your name and designated as the Account for the purpose of Leveraged FX Trading from time to time.

Additional Terms has the meaning given to it in Clause 1.3.

Applicable Regulations means any law, regulation or court order, or any rule, direction, guideline, code, notice or restriction (whether or not having the force of law) issued by any Authority or industry or self-regulatory body, whether in or outside Hong Kong, to which we or you are subject or with which we or you are expected to comply from time to time.

Authority means any regulatory authority, governmental agency (including tax authority), clearing or settlement bank of exchange.

Automatic Closeout means our right automatically and without notice to you to close out Open Positions in an Account.

Authenticators means any of your login user name, password, security code or any other code or security device or credentials which is required for you to access the System.

Authorised Person(s) means any person appointed by you and agreed by us, to give Orders in relation to any matter in respect of an Account.

Base Currency means the currency in which the Account is denominated.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general business in Hong Kong and, where the context requires, also means the business hours set by us from time to time when Orders may be given to and accepted by us.

Client Money Rules means the Securities and Futures (Client Money) Rules (Cap. 571I of the Laws of Hong Kong).

Converting Leveraged FX Trade means a Leveraged FX Trade that, on a date specified by us, will convert into a physically settled spot foreign exchange contract, as described in Appendix 3.

Currency means the lawful currency of any country, territory, region or jurisdiction.

Entry Order has the meaning given to it in Clause 6.2(g).

Event of Default has the meaning given it in Clause 14.2.

Exchange Rate means the rate for converting one Currency into another Currency which we determine to be prevailing in the relevant foreign exchange market at the relevant time, and the rate determined by us will be conclusive and binding on you.

Hong Kong means the Hong Kong Special Administrative Region of the People's Republic of China.

Hong Kong Dollars means the lawful currency of Hong Kong.

Indebtedness means all moneys, in any Currency, which are due or owing by you to us at any time and from time to time in any place, capacity or manner (in each case whether alone or jointly with any other person, and whether as principal or guarantor), together with interest accruing up to the date of payment and all fees, charges and expenses at such rates and on such terms as may be payable by you from time to time.

Initial Margin means, subject to Applicable Regulations, the minimum amount as may from time to time be prescribed by us to be placed and maintained by you in the Account at the time of, or before, each Leveraged FX Trade as security for such Leveraged FX Trade to be effected by you.

Invalid Leveraged FX Trade means any Order which:

- (a) was executed while a Market Disruption Event or System Failure Event continues; or
- (b) was executed at a price which we reasonably believe was an erroneous price whether due to a malfunction in the System or due to disrupted or incorrect market price data received by us; or
- (c) was executed as a result of your fraudulent or unlawful act; or
- (d) is void by reason of law.

Leveraged FX Trade (LFX) means a leveraged foreign exchange contract as defined in the Part 2 of Schedule 5 to the SFO and "**Leveraged FX Trading**" should be construed accordingly.

Manifest Error means a manifest or obvious misquote by us, or any market, exchange, price providing bank, information source, commentator or official on whom we reasonably rely which is not indicative of fair market value at the time an Order is placed. A Manifest Error could include inaccurate third party or liquidity provider data or pricing, a mistype of a quote, an erroneous quote or misquote provided by a System due to the failure of any software, hardware, whether given by telephone and/or other electronic means.

Margin means all moneys in the Account which you have from time to time charged to us for your obligations under these Terms of Business.

Margin Call means a notification by us to you when the funds in your Account is below the Margin Requirement and that you have to take action to relieve the margin shortfall in order to avoid us exercising our Automatic Closeout right.

Margin Requirement means the cash amount that we require you to maintain as Margin in an Account in order to open or maintain positions under a Leveraged FX Trade.

Market Disruption Event means any market disruption as determined conclusively by us in good faith as materially affecting the determination of the Quotation Prices.

Market Order has the meaning given to it in Clause 6.2(f).

Open Position means, in respect of each outstanding Leveraged FX Trade, the notional amount of Currency bought or sold by you under that Leveraged FX Trade.

Order means an instruction, order, communication or request made or given or purported to be made or given, by you or your Authorised Person(s) in any form and by such means as we may allow from time to time to enter into a Transaction.

PingPong Group means each of or collectively PingPong Intelligence and its branches, holding company, representative offices, subsidiaries and affiliates (including branches or offices of such subsidiary or affiliate).

PRC means the People's Republic of China.

PRC Person means any company or entity duly incorporated in the PRC in accordance with the laws of PRC and any individual who hold valid PRC residency identification documents, including identity card, passport and permanent residency card, and includes any agent of that person.

Quotation Price has the meaning given to it in Clause 6.3(a).

Restricted Person means a U.S. Person, a PRC Person and any other category of persons that are ineligible for the Services, as we may determine from time to time.

Rollover has the meaning given to it in Clause 6.9.

Services means the services described in Clause 3.1(b) and any other services, products or facilities which we may offer or provide in relation to any Accounts at our sole discretion and subject to provisions of these Terms of Business and applicable Additional Terms.

Service Provider means a person or a corporation who is not our agent, contractor, sub-contractor or employee, but who is engaged by us to provide third party service pursuant to written agreement, including any trading programme, signal, advice, risk management or other trading assistance, which may have direct access or connectivity to your Account.

SFC means the Securities and Futures Commission.

SFO means the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Stop Loss means an Order to close an Open Position when a Quotation Price reaches or crosses a specified level for the purpose of limiting a loss (and as more fully explained in the product factsheet).

System means the password protected online or downloadable electronic facility where you can trade with us and review particulars of your Account and which can be downloaded and/or accessed by using any electronic means (such as a website, application programming interface commonly known as API) or device (such as computer tablet, mobile phone).

System Failure Event means any failure or malfunction of a technical system or a computer facility (other than your systems or facilities) or any other event beyond our reasonable control which result in the System, website or the Trading System ceases to be available or causing us difficulty in providing the Quotation Prices.

System Order means an Order given to us via the System.

Telephone Order means an Order given to us via telephone.

Trading Hours means the time set by us from time to time during which the System or Telephone is available for taking and giving Orders.

Trading System means the trading system provided by us or our Service Provider for accepting, validating and executing Leveraged FX Trades submitted via System Orders or Telephone Orders, and does not include the System.

Transaction means all transactions in Leveraged FX Trade made under these Terms of Business, including the purchasing, selling, exchanging of, or the acquiring, disposing of, and other dealings in and with any Leveraged FX Trade.

Unrealised Profit/Loss means, at any given point in time, the gain or loss calculated for a hypothetical closing of an Open Position based on the Exchange Rate at that point in time.

U.S. Person means a resident, citizen, green card holder or taxpayer of the United States of America or a person whose address on our record is in the United States of America, and includes any agent of that person.

we, us, our means PingPong Intelligence, a limited company incorporated in Hong Kong and is licensed in Hong Kong (CE number: BOW867) to conduct Type 3 (*Leveraged FX Trading*) regulated activity pursuant to the SFO, with its principal place of business at Unit 07, 12/F, Emperor Group Centre, 288 Hennessy Road, Wan Chai, Hong Kong.

you or your means each person in whose name an Account is maintained or to whom the Services are provided and, where the context permits, includes your Authorised Persons.

Appendix 2 Risk Disclosures for Leveraged FX Trading

You should carefully consider whether Leveraged FX Trading is suitable for you in light of your financial condition, experience and investment objectives. The following is a summary of some of the risks involving the Services and Leveraged FX Trading. It is not an exhaustive list, and you are recommended to obtain independent professional advice before effecting any Leveraged FX Trading or accepting these Terms of Business.

- The risk of loss in Leveraged FX Trading can be substantial. You may sustain losses in excess of your initial margin funds. Placing contingent orders, such as “stop-loss” or “stop-limit” orders, will not necessarily limit losses to the intended amounts. Market conditions may make it impossible to execute such orders. You may be called upon at short notice to deposit additional margin funds. If the required funds are not provided within the prescribed time, your position may be liquidated. You will remain liable for any resulting deficit in your account. You should therefore carefully consider whether such trading is suitable in light of your own financial position and investment objectives.
- The risk of loss in financing a transaction by deposit of collateral is significant. You may sustain losses in excess of your cash and any other assets deposited as collateral with us. If the market moves against your positions, you may have limited time to deposit an amount (which may be substantial) of additional funds in order to maintain your positions. If the required collateral or interest payments are not deposited or made within the prescribed time, your collateral may be liquidated without your consent. Moreover, you will remain liable for any resulting deficit in your account and interest charged on your account. You should therefore carefully consider whether such a financing arrangement is suitable in light of your own financial position and investment objectives.
- Leveraged FX Trading can involve a high degree of risk. Price changes in the underlying Currency can result in substantial losses to you that may in some instances exceed the amount of Margin you have placed with us. You should not participate in Leveraged FX Trading unless you understand and are willing to assume the risks associated with such trading and are financially able to absorb losses in excess of the Margin you deposit with us from time to time.
- Under certain market conditions, you may find it difficult or impossible to liquidate a position. Placing Stop Loss will not necessarily limit your losses to the intended amounts, since market conditions may make it impossible to execute such orders at the designated price.
- The high degree of leverage which is often obtained in connection with Leveraged FX Trading can work against you as well as for you. The use of leverage can lead to large losses instead of or as well as gains.
- Trading on the System or through telephone is subject to risks associated with trading on electronic trading systems or manned service, such as hardware or software or human failures, connectivity problems, computer viruses and system or power failures. As a result of any such failure or interruption, you may not be able to transfer funds into or out of your Account, give Orders, view or cancel pending transactions, or take other actions in relation your Accounts, which may cause you to incur a loss or may result in an Automatic Closeout.
- We may trade as a principal in Currencies and related instruments in various markets and may take an opposing position to a Leveraged FX Trade effected or to be effected by you. Subject to the Applicable Regulations and our monitoring, our employees may trade contracts on their own accounts. We and our employees who trade Currencies may have interests different from or adverse to your interests. In such circumstances, we and our employees should take all reasonable steps to ensure fair treatment to you. In providing you with the Services and entering into transactions with you, we and our employees may not provide you with information we or they may possess or to alter or refrain from our or their own trading.
- You may be affected by any curtailment of or restriction on our capacity to trade in respect of open positions as a result of action taken by the Authority or other governmental or regulatory bodies under

Applicable Regulations or for any other reason. In such circumstances, you may be required to reduce or close your Open Positions with us.

- Any transaction involving foreign Currencies, including Leveraged FX Trades, involves additional risks not common to transactions denominated entirely in your domestic currency. Exchange rates of foreign Currencies can be highly volatile and can be affected by factors such as changes in political and economic policy (both domestic and overseas), political instability, wars, natural disasters and global market movements.
- **You understand that you use the System as a channel for executing Leveraged FX Trades with us, each party acting as principal. Before entering into a Leveraged FX Trade, you should assess it having regard to your investment objectives, financial conditions and other relevant circumstances and the risks associated with that Leveraged FX Trade. You may suffer substantial losses under the Services.**
- **You understand that any information, proposal or other communication from us, including market research and commentary, is merely for your reference. They may be provided by us or other persons or compiled by us from information and materials provided by other persons. We do not represent or guarantee the accuracy, truth, reliability, adequacy, timeliness or completeness of any information, proposal or communication or whether it is fit for any purpose.**
- **You understand and agree that you are solely responsible for making your own independent investment decisions, even if you may have informed us of your investment objectives. You should seek independent legal and tax advice in relation to your obligations for conducting Leveraged FX Trading. We are not liable for any taxes or duties payable by you in relation to the Services or any Leveraged FX Trade.**
- You appreciate that in extreme market conditions, your positions might be closed out mandatorily without a Margin Call being made to you. You therefore undertake that you will constantly monitor market condition and reassess your ability to maintain your Open Positions.

This brief summary does not disclose all the risks and other significant aspects of the Services and Leveraged FX Trading. You should carefully study these Terms of Business, Additional Terms and the information available on the System or our website before you trade.

Appendix 3 Converting Leveraged FX Trade Terms

The terms in this Appendix apply in relation to Converting Leveraged FX Trades. A Converting Leveraged FX Trade is a Leveraged FX Trade which has the following features:

1. it may only be settled in cash before the conversion date; and
2. on the conversion date, it will convert into a physically settled spot foreign exchange contract,

subject to, and in accordance with, the terms in this Appendix 3.

1. Application

- 1.1 The terms in this Appendix 3 apply whenever we execute a Converting Leveraged FX Trade with you. The terms contained in the other parts of these Terms of Business shall also apply in respect of any Converting Leveraged FX Trade, save where such terms are disapplied by, or conflict with, this Appendix 3.

2. Close Out or Rollover of the Converting Leveraged FX Trade

- 2.1 When we execute an Order for a Converting Leveraged FX Trade, the trade confirmation issued to you will specify the date for conversion of the Converting Leveraged FX Trade (the “**Conversion Date**”).
- 2.2 On any business day prior to the Conversion Date of a Converting Leveraged FX Trade, an Open Position in respect of such Converting Leveraged FX Trade may be closed out or rolled over in accordance with these Terms of Business, save that the Converting Leveraged FX Trade may not be closed out or rolled over on or from the Conversion Date.

3. Conversion of the Converting Leveraged FX Trade

- 3.1 Subject to paragraph 3.2, if a Converting Leveraged FX Trade has not been closed out, rolled over or otherwise terminated or cancelled before the Conversion Date of that Converting Leveraged FX Trade, at 00:00 (Hong Kong Time) on the Conversion Date the Converting Leveraged FX Trade shall expire and our and your obligations thereunder shall be terminated.
- 3.2 Notwithstanding Clause 5.1(d) of these Terms of Business, upon the expiration of the Converting Leveraged FX Trade as described in paragraph 3.1, we shall automatically be deemed to have executed with you a spot foreign exchange contract for the purchase or sale (as applicable) by you of the same amount of Currency as that specified under the Converting Leveraged FX Trade (the “**Spot Contract**”). The Spot Contract shall be deemed executed at the same Exchange Rate at which the expired Converting Leveraged FX Trade was executed. You will receive a trade confirmation confirming the terms of the Spot Contract.

4. Settlement of the Spot Contract

- 4.1 We shall effect settlement of the Spot Contract on the date set out in the trade confirmation issued in accordance with paragraph 3.2 above. Our obligation to settle any Spot Contract is subject to the receipt by us, on or before the settlement date for the Spot Contract, of all necessary amounts in the relevant Currency due to be delivered by you or on your behalf.

- 4.2 If a net amount is payable by us to you under any Spot Contract, such amount will be credited to your Account in the same Base Currency as the Account relating to the Converting Leveraged FX Trade to which that Spot Contract relates. Any net amount payable by us to you in a currency other than such Base Currency will be converted from that currency into the relevant Base Currency based on the Exchange Rate at the time we credit the relevant amount to your Account.
- 4.3 If a net amount is payable by you to us, you authorise us to debit such amount from the Account denominated in the same Base Currency as the Account relating to the Converting Leveraged FX Trade to which that Spot Contract relates. Any net amount payable by you to us in a currency other than such Base Currency will be converted from that currency into the relevant Base Currency based on the Exchange Rate at the time we debit the relevant amount from your Account. If there are insufficient funds in that Account to pay such net amount in full, any shortfall amount will remain your Indebtedness and you are liable to pay interest in accordance with Clause 4.4