



Terms of Business for Alpari Direct

Version: April 2010

1. Introduction

1.1. These Terms of Business govern all actions in respect of the execution of the Client's Instructions and Orders.

1.2. These Terms of Business specify:

- a) the Company's actions in respect of the Client's Open Positions in case the Margin Level on the Trading Account is insufficient to support Open Positions;
- b) the principles of placing and executing Orders;
- c) the procedures of Dispute resolution; and
- d) the methods of providing Confirmations to the Client.

1.3. These Terms of Business, the Client Agreement and the Risk Acknowledgement and Disclosure shall govern all the Client's Transactions and should be read carefully by the Client.

1.4. Unless otherwise defined, capitalised terms used in these Terms of Business shall have the meaning given to such terms in the Client Agreement.

1.5. In addition to the Operative Agreements, the Client should regularly consult the "Help" menu or user guide of the Client Terminal. Where the terms contained herein conflict with these resources, the terms in the Client Agreement shall prevail unless the Company determines in its sole discretion that the context requires otherwise.

1.6. The Client acknowledges that the Operative Agreements must not be used to recoup losses due to market conditions or the Client's trading strategy or style.

1.7. These Terms of Business supersede any previous agreement, arrangement or understanding between the Company and the Client as to the basis on which Services are provided to the Client by the Company in respect of the Margin Trading via Alpari Direct Client Terminal, or a third-party application connected to the Server via FIX Protocol.

2. Instructions

2.1. The Client shall give Instructions via the Client Terminal only.

2.2. The Company may decline an Instruction if the Client's Free Margin is less than the Margin required to open a position.

3. Rollovers

3.1. All Open Positions at 17:00 New York time are subject to rollover. These positions will be rolled over by debiting or crediting the Client's Trading Account with the amount calculated in accordance with the Rollover/Interest Policy Webpage.

4. Leverage

4.1. The Company shall review the Trading Account Equity on a regular basis. The Company is entitled to change the Leverage on the Client's Trading Account without prior notice to the Client and with immediate effect in accordance with the standard terms specified on the Website.

4.2. The Company has the right to lower the Leverage for a particular Client at any time and at its sole discretion by giving five Business Days prior Written Notice.

5. Quotes

5.1. The Company shall stream tradable Quotes to the Client via the Client Terminal. The Company shall execute the Client's Orders based on these Quotes.

5.2. The Company has the right to void any Transaction made at an Error Quote. The validity of a Quote is determined by the Company at its sole discretion.

6. Commission, Charges and Other Costs

6.1. The Client shall be obliged to pay the Company the commissions, charges and other costs set out in the contract specifications. The Company will display all current commissions, charges and other costs on its website.

6.2 The Company may vary commissions, charges and other costs without giving prior written notice to the Client. All changes in commissions, charges and other costs are displayed on the Company's website on the "Company News" page, except changes in "Storage" which are displayed on the "Swap History" page.

6.3. Subject to compliance with all applicable rules and regulations, the Company will not be under any obligation to disclose to, or provide the Client with, any report of benefits, profits, commissions or other remunerations made or received by the Company on any Client transaction, unless otherwise agreed in these Terms of Business or the Client Agreement.

6.4. The Company may periodically act on a Client's behalf in relations with parties with whom the Company or another affiliated party has an agreement permitting the Company to receive goods or services in exchange for completing trading operations. The Company ensures that such arrangements shall operate in the best interest of Clients, for example, arrangements granting access to information or other benefits/services which would not otherwise be available.

6.5. In order to open a position via the Client Terminal using an Advisor, the Advisor generates a Request. If the Dealer offers a Quote, which differs from the Advisor's Quote by not more than the "slippage" value (Advisor's parameter which determines the acceptable range between the Advisor's Quote and the Quote offered by the Dealer), the Advisor gives the Instruction to the Server to open a position at the Quote offered by the Dealer.

7. Margin Requirements

7.1. The Client shall deposit and maintain the initial and/or hedged margin in the amount determined by the Company in accordance with these Terms of Business, Client Agreement and Margin Requirements as detailed in the contract specifications. These sums should be in the form of cleared funds, to be transferred onto the Company's bank account.

7.2. The Client shall pay initial and/or hedged margin upon opening a position. The amount of initial and hedged margin for each instrument is detailed in the contract specifications.

7.3. The Company is entitled to change the size of initial, necessary, or hedged margin:

a. for all Clients, giving written notification 7 (seven) calendar days before these amendments are introduced;

b. individually for any Client to bring the leverage in line with the margin requirements designated in the contract specifications.

c. individually for a Client in emergencies without prior notification.

d. for all Clients in the case of a force majeure without prior notification.

7.4. The Client shall be responsible for maintaining the necessary margin level on the trading account.

7.5. The Company is entitled to apply clause 7.3 to all new positions and to positions that are already open.

7.6. The Company is entitled to close the Client's open positions without consent or any prior written notification if the equity falls below 60% of the necessary margin.

7.7. For the purpose of determining whether or not the Client has breached clause 7.6, any amounts which are not denominated in the deposit currency will be converted into the deposit currency at the current exchange rate on the foreign exchange market.

8. Orders

Order Expiry Types

8.1. The Client may specify the following expiry types as Order Expiry:

- a) Good Till Cancel (GTC): Order remains active until either fully or partially executed or explicitly cancelled by the Client;
- b) Immediate or Cancel (IOC): the Company executes the Order at the current Quotes in accordance with clause 8 of these Terms of Business; any remaining portions not immediately executed are cancelled.
- c) Good Till Date/Time (GTD): the Client explicitly specifies the date and time at which an Order is to be expired if not already executed or cancelled.
- d) Fill or Kill (FOK): the Order is cancelled unless the Order can be executed in its entirety at the current Quotes in accordance with clause 8 of these Terms of Business (partial execution is not allowed).
- e) Good For Seconds: the Order is valid for the specified number of seconds after it is received by the Server. Once the specified seconds have passed, if the Order has not been executed, it is automatically expired by the Server.

Market Order

8.2. To place a Market Order, the Client shall specify the following parameters:

- a) Instrument
- b) Maximum Order Quantity
- c) Order Side
- d) Minimum Order Quantity
- e) Order Expiry

8.3. Once the Server receives a buy Market Order (a "buy" as the Order Side) which Order Expiry type is not Fill or Kill:

- a) the Market Order is partially or fully executed at the current Asks (starting with the Ask with the lowest Rate), subject to the following conditions:
 - i. If the Ask's minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Ask.
 - ii. If the Ask's maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Ask.
 - iii. No more than the Ask's maximum Transaction size can be executed at the Ask.
- b) If the Market Order which Order Expiry type is Good Till Cancel has not been fully executed, the Server checks the remaining quantity against new Quotes in accordance with clause 8.3 (a) until the Market Order is fully executed or cancelled by the Client.
- c) If the Market Order which Order Expiry type is Immediate or Cancel has not been fully executed, the Server cancels the remaining quantity of the Order.
- d) If the Market Order which Order Expiry type is Good Till Date/Time or Good For Seconds, the Server checks the remaining quantity against new Quotes in accordance with clause 8.3 (a) until the Market Order is fully executed, or cancelled by the Client, or expired.

8.4. Once the Server receives a buy Market Order (a "buy" as the Order Side) which Order Expiry type is Fill or Kill, the Market Order is cancelled unless the Order can be fully executed at the current Asks (starting with the Ask with the lowest Rate), subject to the following conditions:

- a) If the Ask's minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Ask.
- b) If the Ask's maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Ask.
- c) No more than the Ask's maximum Transaction size can be executed at the Ask.

8.5. Once the Server receives a sell Market Order (a "sell" as the Order Side) which Order Expiry type is not Fill or Kill:

- a) the Market Order is partially or fully executed at the current Bids (starting with the Bid with the highest Rate), subject to the following conditions:
 - i. If the Bid's minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Bid.
 - ii. If the Bid's maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Bid.
 - iii. No more than the Bid's maximum Transaction size can be executed at the Bid.
- b) If the Market Order which Order Expiry type is Good Till Cancel has not been fully executed, the Server checks the remaining quantity against new Quotes in accordance with clause 8.5 (a) until the Market Order is fully executed or cancelled by the Client.
- c) If the Market Order which Order Expiry type is Immediate or Cancel has not been fully executed, the Server cancels the remaining quantity of the Order.
- d) If the Market Order which Order Expiry type is Good Till Date/Time or Good For Seconds, the Server checks the remaining quantity against new Quotes in accordance with clause 8.5 (a) until the Market Order is fully executed, or cancelled by the Client, or expired.

8.6. Once the Server receives a sell Market Order (a “sell” as the Order Side) which Order Expiry type is Fill or Kill, the Market Order is cancelled unless the Order can be fully executed at the current Bids (starting with the Bid with the highest Rate), subject to the following conditions:

- a) If the Bid’s minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Bid.
- b) If the Bid’s maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Bid.
- c) No more than the Bid’s maximum Transaction size can be executed at the Bid.

Limit Order

8.7. To place a Limit Order, the Client shall specify the following parameters:

- a) Instrument
- b) Maximum Order Quantity
- c) Order Side
- d) Minimum Order Quantity
- e) Order Expiry
- f) Order Limit Price

8.8. Once the Server receives a buy Limit Order (a “buy” as the Order Side) which Order Expiry type is not Fill or Kill:

- a) the Limit Order is partially or fully executed at the current Asks with the Rates equal to or below the Order Limit Price (starting with the Ask with the lowest Rate), subject to the following conditions:
 - i. If the Ask’s minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Ask.
 - ii. If the Ask’s maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Ask.
 - iii. No more than the Ask’s maximum Transaction size can be executed at the Ask.
- b) If the Limit Order which Order Expiry type is Good Till Cancel has not been fully executed, the Server checks the remaining quantity against new Quotes in accordance with clause 8.8 (a) until the Limit Order is fully executed or cancelled by the Client.
- c) If the Limit Order which Order Expiry type is Immediate or Cancel has not been fully executed, the Server cancels the remaining quantity of the Order.
- d) If the Limit Order which Order Expiry type is Good Till Date/Time or Good For Seconds, the Server checks the remaining quantity against new Quotes in accordance with clause 8.8 (a) until the Limit Order is fully executed, or cancelled by the Client, or expired.

8.9. Once the Server receives a buy Limit Order (a “buy” as the Order Side) which Order Expiry type is Fill or Kill, the Limit Order is cancelled unless the Order can be fully executed at the current Asks with the Rates equal to or below the Order Limit Price (starting with the Ask with the lowest Rate), subject to the following conditions:

- a) If the Ask’s minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Ask.

- b) If the Ask's maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Ask.
- c) No more than the Ask's maximum Transaction size can be executed at the Ask.

8.10. Once the Server receives a sell Limit Order (a "sell" as the Order Side) which Order Expiry type is not Fill or Kill:

- a) the Limit Order is partially or fully executed at the current Bids with the Rates equal to or above the Order Limit Price (starting with the Bid with the highest Rate), subject to the following conditions:
 - i. If the Bid's minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Bid.
 - ii. If the Bid's maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Bid.
 - iii. No more than the Bid's maximum Transaction size can be executed at the Bid.
- b) If the Limit Order which Order Expiry type is Good Till Cancel has not been fully executed, the Server checks the remaining quantity against new Quotes in accordance with clause 8.10 (a) until the Limit Order is fully executed or cancelled by the Client.
- c) If the Limit Order which Order Expiry type is Immediate or Cancel has not been fully executed, the Server cancels the remaining quantity of the Order.
- d) If the Limit Order which Order Expiry type is Good Till Date/Time or Good For Seconds, the Server checks the remaining quantity against new Quotes in accordance with clause 8.10 (a) until the Limit Order is fully executed, or cancelled by the Client, or expired.

8.11. Once the Server receives a sell Limit Order (a "sell" as the Order Side) which Order Expiry type is Fill or Kill, the Limit Order is cancelled unless the Order can be fully executed at the current Bids with the Rates equal to or above the Order Limit Price (starting with the Bid with the highest Rate), subject to the following conditions:

- a) If the Bid's minimum Transaction size is above the Maximum Order Quantity, the Order cannot be partially or fully executed at the Bid.
- b) If the Bid's maximum Transaction size is below the Minimum Order Quantity, the Order cannot be partially or fully executed at the Bid.
- c) No more than the Bid's maximum Transaction size can be executed at the Bid.

Stop Loss Order

8.12. To place a Stop Loss Order, the Client shall specify the following parameters:

- a) Instrument
- b) Maximum Order Quantity
- c) Order Side
- d) Minimum Order Quantity
- e) Order Expiry
- f) Order Stop Price
- g) Order Stop Side

8.13. Stop Loss Orders of Immediate or Cancel and Fill or Kill Order Expiry types are not supported.

8.14. A buy Stop Loss Order (a “buy” as the Order Side) which Order Stop Side is “Bid” becomes a buy Market Order when the Bid with the highest Rate becomes equal to or above the Order Stop Price.

8.15. A buy Stop Loss Order (a “buy” as the Order Side) which Order Stop Side is “Ask” becomes a buy Market Order when the Ask with the lowest Rate becomes equal to or above the Order Stop Price.

8.16. A sell Stop Loss Order (a “sell” as the Order Side) which Order Stop Side is “Bid” becomes a sell Market Order when the Bid with the highest Rate becomes equal to or below the Order Stop Price.

8.17. A sell Stop Loss Order (a “sell” as the Order Side) which Order Stop Side is “Ask” becomes a sell Market Order when the Ask with the lowest Rate becomes equal to or below the Order Stop Price.

8.18. Unless specifically cancelled by the Client, a Stop Loss Order which Order Expiry type is Good Till Cancel is always active and becomes a Market Order in accordance with clauses 8.14-8.17 of these Terms of Business.

8.19. Unless expired or specifically cancelled by the Client, a Stop Loss Order which Order Expiry type is Good Till Date/Time or Good For Seconds is always active and becomes a Market Order in accordance with clauses 8.14-8.17 of these Terms of Business.

Stop Limit Order

8.20. To place a Stop Limit Order, the Client shall specify the following parameters:

- a) Instrument
- b) Maximum Order Quantity
- c) Order Side
- d) Minimum Order Quantity
- e) Order Expiry
- f) Order Stop Price
- g) Order Stop Side
- h) Order Limit Price

8.21. Stop Limit Orders of Immediate or Cancel and Fill or Kill Order Expiry types are not supported.

8.22. A buy Stop Limit Order (a “buy” as the Order Side) which Order Stop Side is “Bid” becomes a buy Limit Order at the Order Limit Price when the Bid with the highest Rate becomes equal to or above the Order Stop Price.

8.23. A buy Stop Limit Order (a “buy” as the Order Side) which Order Stop Side is “Ask” becomes a buy Limit Order at the Order Limit Price when the Ask with the lowest Rate becomes equal to or above the Order Stop Price.

8.24. A sell Stop Limit Order (a “sell” as the Order Side) which Order Stop Side is “Bid” becomes a sell Limit Order at the Order Limit Price when the Bid with the highest Rate becomes equal to or below the Order Stop Price.

8.25. A sell Stop Limit Order (a “sell” as the Order Side) which Order Stop Side is “Ask” becomes a sell Limit Order at the Order Limit Price when the Ask with the lowest Rate becomes equal to or below the Order Stop Price.

8.26. Unless specifically cancelled by the Client, a Stop Limit Order which Order Expiry type is Good Till Cancel is always active and the Order becomes a Limit Order in accordance with clauses 8.22-8.25 of these Terms of Business.

8.27. Unless expired or specifically cancelled by the Client, a Stop Limit Order which Order Expiry type is Good Till Date/Time or Good For Seconds is always active and the Order becomes a Limit Order in accordance with clauses 8.22-8.25 of these Terms of Business.

Trailing Stop

8.28. To place a Trailing Stop, the Client shall specify the following parameters:

- a) Instrument
- b) Maximum Order Quantity
- c) Order Side
- d) Minimum Order Quantity
- e) Order Expiry
- f) Order Trail By
- g) Order Stop Side
- h) Order Limit Price (optional)

8.29. Trailing Stops of Immediate or Cancel and Fill or Kill Order Expiry types are not supported.

8.30. Once the Server receives a buy Trailing Stop (a “buy” as the Order Side), the Server:

- a) places a buy Stop Loss order (if Order Limit Price is not specified) or a buy Stop Limit Order (if Order Limit Price is specified) with the Order Stop Price at the current Bid with the highest Rate plus Trail By Pips (if Order Stop Side is “Bid”) or at the current Ask with the lowest Rate plus Trail By Pips (if Order Stop Side is “Ask”).
- b) constantly changes the Order Stop Price as defined in clause 8.30 (a) of these Terms of Business if the difference between the Order Stop Price and the current Bid with the highest Rate (if Order Stop Side is “Bid”) or the current Ask with the lowest Rate (if Order Stop Side is “Ask”) exceeds Trail By Pips.

8.31. Once the Server receives a sell Trailing Stop (a “sell” as the Order Side), the Server:

- a) places a sell Stop Loss order (if Order Limit Price is not specified) or a sell Stop Limit Order (if Order Limit Price is specified) with the Order Stop Price at the current Bid with the highest Rate minus Trail By Pips (if Order Stop Side is “Bid”) or at the current Ask with the lowest Rate minus Trail By Pips (if Order Stop Side is “Ask”).
- b) constantly changes the Order Stop Price as defined in clause 8.31 (a) of these Terms of Business if the difference between the Order Stop Price and the current Bid with the highest Rate (if Order Stop Side is “Bid”) or the current Ask with the lowest Rate (if Order Stop Side is “Ask”) exceeds Trail By Pips.

One Cancels Other (OCO) Order

8.32. OCO Order consists of two legs:

- a) leg 1: a Stop Loss Order or a Stop Limit Order

b) leg 2: a Limit Order

8.33. If leg 1 is a Stop Loss Order, the Server executes the Stop Loss Order in accordance with clauses 8.12-8.19 of these Terms of Business. If leg 1 is a Stop Limit Order, the Server executes the Stop Limit Order in accordance with clauses 8.20-8.27 of these Terms of Business.

8.34. The Server executes the leg 2's Limit Order in accordance with clauses 8.7-8.11 of these Terms of Business. Limit Orders of Immediate or Cancel and Fill or Kill Order Expiry types are not supported as leg 2 Orders.

8.35. Once the Order at one leg is fully executed, the Server cancels the Order at the other leg. Once the Order at one leg is partially executed, the Server accordingly reduces the Order Quantity of the Order at the other leg.

If Done Order

8.36. If Done Order consists of two Orders:

- a) IFD If: a Stop Loss Order, or a Stop Limit Order, or a Limit Order
- b) IFD Then: a Stop Loss Order, or a Stop Limit Order, or a Limit Order, or an OCO Order.

8.37. Once the Server receives an If Done Order, the Server executes the IFD If Order in accordance with clauses 8.12-8.19 of these Terms of Business if the IFD If Order is a Stop Loss Order, or in accordance with clauses 8.20-8.27 of these Terms of Business if the IFD If Order is a Stop Limit Order, or in accordance with clauses 8.7-8.11 of these Terms of Business if the IFD If Order is a Limit Order.

8.38. Once the IFD If Order is partially or fully executed for the first time, the Server places the IFD Then Order with the Order Quantity equal to the amount that has been executed for the IFD If Order. On any further execution of the IFD If Order the Server changes the IFD Then Order's Order Quantity accordingly.

8.39. IFD If (if the IFD If order is not a Limit Order) and IFD Then Orders of Immediate or Cancel and Fill or Kill Order Expiry types are not supported.

Other Orders

8.40. The Client acknowledges that the Company has the right to introduce new Order types, or change the terms of execution of Order types defined in clause 8 of these Terms of Business, at any time with immediate effect without giving a prior Written Notice to the Client. The Client should not use Orders of new types unless the Client fully understands their nature and how they will be executed by the Company. The Client shall be responsible for all financial losses caused by using Orders of new types unless otherwise agreed in the Operative Agreements.

9. Insufficient Margin Level and Liquidation of Open Positions

9.1. The Company is entitled to close out any or all of the Client's Open Positions without the consent of the Client or any prior notice if the Equity is less than 60% of the Margin.

9.2. Margin Level is monitored by the Server and subject to clause 9.1 the Server generates an instruction to close out any or all of the Client's Open Positions without prior consent of the Client or any prior notice. The Open Positions will be closed out by the execution of relevant Market Orders.

9.3. If the actions described in clauses 9.1 and 9.2 of these Terms of Business have resulted in a negative Trading Account Equity, the Client shall be liable for the loss and must make a payment of the full and total amount due immediately.

10. Disputes

10.1. Both the Company and the Client have the right to initiate the process of Dispute resolution. In a case where the Company initiates it, the decision must be made and all the necessary actions must be taken within two Business Days of the Dispute arising.

10.2. If any conflict situation arises when the Client reasonably believes that the Company as a result of any action or failure to act breaches one or more terms of these Terms of Business, the Client has the right to lodge a complaint with the Company as soon as reasonably practicable but in any case within two Business Days after the grievance has arisen.

10.3. A complaint shall be lodged with the Personal Area at the Web-site of the Company. All complaints lodged by any other means (for example, on a forum, etc.) will not be considered.

10.4. A complaint shall include:

- a) name and surname of the Client (or company name if the Client is a legal entity);
- b) Client's login to the Trading Platform;
- c) details of when the conflict first arose (date and time in MSC);
- d) Order ticket;
- e) description of the conflict situation supported by the reference to these Terms of Business.

10.5. The complaint must not include:

- a) affective appraisal of the conflict situation;
- b) offensive language;
- c) uncontrolled vocabulary.

10.6. The Company has the right to refuse a complaint if any of clauses 10.2, 10.3, 10.4 or 10.5 have been breached.

10.7. The Server Log-File is the most reliable source of information in a case of any Dispute. The Server Log-File has the absolute priority over other arguments including the Client Terminal Log-File.

10.8. If the Server Log-File has not recorded the relevant information to which the Client refers, the argument based on this reference may not be considered.

10.9. The Company may resolve all Disputes:

- a) by crediting/debiting the Client's Trading Account;
- b) by voiding Transactions; and/or
- c) by cancelling Orders.

The Company has the right to choose the method of Dispute resolution at its sole discretion.

10.10. Disputes not mentioned in these Terms of Business are resolved in accordance with the common market practice and at the sole discretion of the Company.

10.11. The Company shall not be liable to the Client if for any reason the Client received less profit than had hoped for or incurred a loss as a result of uncompleted action which the Client had intended to complete.

10.12. The Company shall not be liable to the Client in respect of any indirect, consequential or non-financial damage (emotional distress etc.).

10.13. The Compliance Department shall consider any Client's complaint or Dispute and endeavour to investigate any Dispute or complaint as soon as reasonably practicable. All complaints will be considered within two Business Days from the day the complaint is received. In some cases, a complaint may be under consideration up to 5 business days.

10.14. The Company shall take all necessary actions in accordance with clauses 10.9 (a), (b) and/or (c) as soon as reasonably practicable but in any case within one Business Day after the decision in respect of the Dispute is made.

10.15. If the Client has been notified in advance by Trading Platform internal mail or some other way of routine construction on the Server, complaints made in respect of any unexecuted Instructions or Orders which are given during such construction period, are not accepted. The fact that the Client has not received a notice shall not constitute a reason to lodge a complaint.

10.16. No Client complaints will be accepted in respect of the financial results of the deals made using temporary excess Free Margin on the Trading Account gained as a result of a profitable position (cancelled by the Company afterwards) opened at an Error Quote or at a Quote received as a result of a Manifest Error.

10.17. In respect of all Disputes any references by the Client to the Quotes of other companies or information systems will not be taken into account.

10.18. No complaints are accepted if the Client is not able to send an Instruction:

- a) because of the poor Internet connection either on the side of the Client or the Company or both;
or
- b) as a result of a Manifest Error; or
- c) as a result of the failure of the Trading Platform software/hardware either on the side of the Client or the Company or both.

10.19. If an Order has been cancelled by mistake:

- a) because of the failure, malfunction or misuse of the Trading Platform software/hardware; or
- b) because of the insufficient Free Margin required to make a Transaction as a result of an Error Quote in the Quotes Flow at which Unrealised P/L for the Open Positions have been calculated;
or
- c) because of the insufficient Free Margin required to make a Transaction as a result of a Dispute in respect of another Order, Open Position or Transaction,

the Order will not be reinstated and no complaints in respect of this matter are accepted.

10.20. If an Order has been erroneously executed:

- a) at an Error Quote; or

- b) because of a Manifest Error; or
- c) because of the failure, malfunction or misuse of the Trading Platform software,

and the Company initiates a Dispute resolution in accordance with clause 10.1, the Company voids the Transaction. The Order will not be reinstated and no complaints in respect of this matter are accepted.

10.21. If:

- a) the Company erroneously executes an Order at a price which differs from the price at which the Company should have executed it in accordance with clause 8; and
- b) the Company initiates a Dispute resolution in accordance with clause 10.1,

the Company debits/credits the Client's Trading Account with the difference between the value of executing a Transaction at the actual execution price and the value of executing a Transaction at the price at which the Order should have been executed in accordance with clause 8.

10.22. No complaints are accepted if an Order has not been executed:

- a) at an Error Quote; or
- b) because of the insufficient Free Margin required to make a Transaction as a result of a Dispute in respect of another Order, Open Position or Transaction (in this case the Order is automatically cancelled and will not be reinstated and no complaints in respect of this matter will be accepted).

10.23. If the Server erroneously liquidates the Client's Open Positions in accordance with clause 9.1:

- a) at an Error Quote; or
- b) because the Company makes a Manifest Error and clause 9.1 is breached; or
- c) because of malfunction or misuse of the Trading Platform software and clause 9.1 is breached; or
- d) because clause 9.1 is breached as a result of an Error Quote in the Quotes Flow at which Unrealised P/L is calculated; or
- e) because clause 9.1 is breached as a result of a Dispute in respect of another Order, Open Position or Transaction,

and the Company initiates a Dispute resolution in accordance with clause 10.1, the Company will pay the Client the difference between the value of closing the Open Position at the actual close price and the value of closing the Open Position at the Quote which is not an Error Quote and is registered in the Quotes Flow at the moment the position is closed.

10.24 If the Client disagrees with the Company's decision with respect to the handling of a complaint, the Client has the right to appeal to the KROUFR dispute committee.

11. Confirmations and Trading Account Information

9.1. Following the execution of an Order on the Client's Trading Account, the Company will confirm that Transaction as soon as practicably possible by posting a Confirmation on the Client Terminal, however failure to do so will not affect the validity of the Transaction.

11.2. Confirmations shall be deemed to be conclusive and binding on the Client.

11.3. The Company will post details of the Client's Trading Account activity on the Client Terminal and the Client will be able to generate daily and monthly reports of the Trading Account activity as well as a report of each executed Transaction.

11.4. Updated Trading Account Information will be available no more than twenty-four hours after any activity takes place on the Client's Trading Account. Posting of Trading Account Information on the Client Terminal will be deemed delivery of Confirmations.

11.5. The Company may in its absolute discretion withdraw or amend any Trading Account Information at any time. The Trading Account Information posted on the Client Terminal shall (unless it is manifestly incorrect) be conclusive evidence of the Client's Transactions.

11.6. Unless otherwise agreed, the Client agrees that the Company is under no obligation to provide Confirmations in hard copy or by email rather than on the Client Terminal.

12. Interpretation of Terms

"If Done Order" shall mean an instruction to buy or sell the specified quantity of the Instrument, subject to clauses 8.36 – 8.39 of the Terms of Business.

"Limit Order" shall mean an instruction to buy or sell the specified quantity of the Instrument, subject to clauses 8.7 – 8.11 of the Terms of Business.

"Market Order" shall mean an instruction to buy or sell the specified quantity of the Instrument, subject to clauses 8.2 – 8.6 of the Terms of Business.

"Maximum Order Quantity" shall mean the maximum number of a) units of Base Currency (for a Currency Pair), or b) contracts (for a Precious Metal), the Client is willing to buy or sell when placing the Order.

"Minimum Order Quantity" shall mean the minimum number of a) units of Base Currency (for a Currency Pair), or b) contracts (for a Precious Metal), the Client is willing to buy or sell when placing the Order.

"One Cancels Other (OCO) Order" shall mean an instruction to buy or sell the specified quantity of the Instrument, subject to clauses 8.32 – 8.35 of the Terms of Business.

"Order" shall mean an instruction from the Client to the Company to buy or sell a specified number of a) units of Base Currency (for a Currency Pair), or b) contracts (for a Precious Metal), subject to clause 6 of the Terms of Business.

"Order Expiry" shall have the meaning set out in clause 8.1 of the Terms of Business.

"Order Limit Price" shall mean the maximum (minimum) Rate at which the Client is willing to buy (sell) when placing an Order.

"Order Side" shall mean a direction of a Transaction (buy or sell).

"Order Stop Price" shall mean the Rate at which a Stop Loss Order (Stop Limit Order) becomes a Market Order (Limit Order) in accordance with clauses 8.12-8.19 (8.20-8.27) of the Terms of Business.

"Order Stop Side" shall mean Bid or Ask.

"Pip" shall mean the numerical value of the last, or right-most, digit of a Rate.

“Quote” shall mean the information of the current prices for a specific Instrument, in the form of the Bids sorted in the descending order (the first Bid has the highest Rate) and Asks sorted in the ascending order (the first Ask has the lowest Rate).

“Quotes Flow” shall mean the stream of Quotes in the Trading Platform for each Instrument.

“Rate” shall mean the following:

- a) for a Currency Pair: the value of the Base Currency in the terms of the Quote Currency; or
- b) for a Precious Metal: the price of one troy oz. of the Precious Metal against the US dollar or any other currency.

“Realised P /L” shall mean the financial result of all netted Transactions on the Client’s Trading Account.

“Stop Limit Order” shall mean an instruction to buy or sell the specified quantity of the Instrument, subject to clauses 8.20 – 8.27 of the Terms of Business.

“Stop Loss Order” shall mean an instruction to buy or sell the specified quantity of the Instrument, subject to clauses 8.12 – 8.19 of the Terms of Business.

“Take Profit” shall mean a Limit Order.

“Trading Account” shall mean the unique personified registration system of all Transactions, Open Positions, Orders and deposit/withdrawal transactions in the Trading Platform.

“Trail By” shall mean the maximum number of Pips between the current Bid with the highest Rate (if Order Stop Side is “Bid”), or the current Ask with the lowest Rate (if Order Stop Side is “Ask”), and the Order Stop Price of the Stop Loss Order (if Order Limit Price is not specified) or the Stop Limit Order (if Order Limit Price is specified) of a Trailing Stop.

“Trailing Stop” shall mean an instruction to buy or sell the specified quantity of the Instrument, subject to clauses 8.28 – 8.31 of the Terms of Business.

“Transaction” shall mean any contract or transaction entered into or executed by the Client or on behalf of the Client arising under this Agreement and the Terms of Business.

“Unrealised P /L” shall mean current profit/loss on Open Positions calculated at the current Quotes.

Alpari (NZ) Limited

April 2010