



**KERFORD INVESTMENTS (UK) LTD.**  
Authorised and Regulated by the Financial Conduct Authority (FCA)



# INTRODUCING BROKER CLEARING AGREEMENT





## Introducing Broker Clearing Agreement

THIS AGREEMENT ("Agreement") entered into on \_\_\_\_\_ 20\_\_, by and between Kerford Investments (UK) Ltd a United Kingdom Limited Company ("K.I.") with its principal offices located at 1st Floor, 239 High Street Kensington London, W8 6SN England and \_\_\_\_\_("I.B.") with principal offices located at \_\_\_\_\_.

WHEREAS, Kerford Investments UK Limited ("K.I.") is a registered broker and financial services provider authorised and regulated by the Financial Conduct Authority, in the United Kingdom.

WHEREAS, IB is or maybe engaged, in a jurisdiction located outside of the geographic and legal boundaries of the United Kingdom, in the business of soliciting persons and other entities who are or may become customers (as herewith defines) to invest in Equities, forex, Commodities, and other investments of a similar nature.

WHEREAS, IB desires to retain the services of KI to execute Customers' orders to buy and sell Investments and to perform settlement and accounting services with respect to such Investments on behalf of Customers either directly or through third party and

WHEREAS, KI is willing to render the foregoing services to IB;

Now, therefore, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledge, it is hereby agreed as follows:

\_\_\_IB's initial



## 1.0 Duties of KI

- a. KI shall execute buy and sell orders and perform settlement and accounting services for and on behalf of IB and/or Customers introduced by IB. For purposes of this Agreement, "Customer" shall mean any natural person and other entity referred to KI by IB for the purpose of opening an Investment trading account with KI or transferring an existing Investments Brokerage account to KI from another broker. Not with standing the foregoing, KI, in its sole discretion, may at any time refuse to accept new orders for or on behalf of IB and/ or any Customer, and/ or may require that all subsequent orders be submitted for liquidation of previously existing positions only
- b. KI shall prepare and provide to Customers regular activity reports reflecting information concerning the execution and settlement of all transactions on behalf of such Customers.
- c. KI shall prepare and provide to Customers monthly statements of accounts regarding their Futures Investments.
- d. KI shall receive funds and distribute payments to Customers, conduct all cashiering functions and maintain deposits of initial and maintenance margin for Customers. In this regard, KI will, subject to and in accordance with the Rules and Regulations (as hereinafter defined) and the policies and procedures set forth in KI's then current Compliance and procedures Manual, receive and distribute, by the physical delivery or electronic wire transfer, currency and other forms of legal tender, securities, checks, bank draft, warehouse depository receipts and other forms of financial instruments for the accounts off Customers pursuant to the instructions of such Customers. KI shall have no responsibly to IB or any Customer with respect to any such currency, security or financial instrument until such time as the time has been received by KI.
- e. KI shall maintain books and records of all execution, settlement and accounting services provided for and on behalf of Customers.
- f. KI shall promptly provide IB with equity runs of all daily activity reports and monthly statements of accounts introduced by IB.
- g. When necessary or appropriate to execute a transaction on behalf of IB or any Customer, KI may utilize the services of any other clearing broker.
- h. KI shall not be obligated to make any investigation into the circumstances surrounding any transaction that it may have with IB or any Customer or that IB may have with such Customer or any other person.
- i. KI shall notify IB on a timely basis in the event that a Customer fails to deposit or maintain proper margin or incurs a deficit balance in such Customer's account. Any failure or delay by KI in providing such notice to IB shall not in any way relieve IB of the responsibility for collecting margins or offsetting debit balances as hereinafter set forth.

\_\_\_IB's initial



## 2.0 Duties of IB

- a. IB shall at all times during the term of this Agreement provide KI with prompt, accurate and complete information relating to Customer orders for the purchase and sale of Investments submitted to KI by or on behalf of Customers for execution and settlement. In addition, IB will obey and act in accordance with any and all written or oral instructions given to IB by KI that apply or pertain solely to a specific Customer, group of Customers, Investment, order, set of orders or period of time. All orders submitted to KI by IB shall be compatible with the requirements of KI's record keeping and order entry system, as the same may be modified by KI from time to time.
- b. IB shall provide KI on a yearly basis with a true, accurate and complete set of IB's most current annual financial reports. Such financial reports shall be supplied to KI within 90 days following IB's fiscal year end, and shall contain a sworn, notarized statement from IB (or IB's chief executive officer) certifying the accuracy of the information contained in such financial reports. IB shall provide KI with IB's semi annual financial statements within 45 days following the end of each of IB's fiscal half year. In addition to the foregoing, IB shall provide KI's Officer, via e-mail and courier, with a written summary or copy of any claim against IB by any Customer as soon as IB has notice of such claim.
- c. IB shall provide KI with such additional financial information as KI, in its reasonable discretion may request from time to time. Without limiting the generality of the foregoing at any time when there are any amounts due and owing to KI from IB's commission statements or other reports of revenues from other clearing brokers through or with whom IB clears business as well as such other documentation as KI shall request.
- d. IB shall permit KI and/ or any exchange, examining authority, regulatory or self-regulatory organization or agency to inspect, examine and/or copy IB's books of accounts and records in connection with any audit, review or examination KI or by such exchange, examining authority, regulatory or self- regulatory organization or agency.
- e. IB shall promptly inform KI in writing regarding any account proprietary to IB that is in existence on the books of KI and/or any other clearing broker on the effective date of this Agreement, and shall promptly notify KI in writing upon the creation of any new such account during the term of this Agreement.
- f. IB shall provide to KI corporate resolutions, partnership agreements or such other documentation as KI may in its discretion require, showing evidence that IB has full power and authority to enter into this Agreement.



### 3.0 Customer Accounts; Policies And Procedures

- a. IB shall promptly provide KI with all information as may be required by the appropriate regulatory authorities and/or by KI to permit KI to open and carry Investment trading accounts (each, a "Customer Account") for Customers.
- b. IB shall cause Customers to execute account opening documents ("Customer Agreements") on forms provided by KI or on forms provided by IB that are approved by KI and otherwise in compliance with all applicable rules and regulations.
- c. IB shall not accept any Investment order ("trade") from a Customer or place any Investments order with KI on behalf of such Customer unless and until:
  - (i) all required Account Papers relating to the Customer Accounts of such Customer have been duly execute by such Customer and have been received and approved by KI
  - (ii) a valid form of payment for such Customer's initial deposit into such Customer Account has been received and deposited by KI into the relevant KI customer Segregation account; (iii) KI has received verification from KI's banking institution that good funds are immediately available in the relevant KI Customer Segregation account with respect to such initial deposit; and (iv) all other KI compliance and operational procedures relating to the opening of a new Customer Account have been followed. Discretionary accounts will only be accepted with a signed power of attorney after specific approval from KI. IB acknowledges and agrees that KI in its sole and absolute discretion has the right to reject or close any Customer Account.
- d. IB shall provide KI with such financial and personal information concerning each Customer as KI may reasonably require in the exercise of its discretion and in compliance with all applicable exchange, self- regulatory and regulatory rules and regulations. KI reserves the right to reject any prospective Customer or Customer Account which IB may tender or, having accepted any such Customer Account, to terminate such Customer Account at any time or to refuse to accept any additional orders for or on behalf of such Customer Account in the exercise of its sole discretion.
- e. IB shall determine all material facts regarding each Customer and/or Customer required by KI, and other appropriate regulatory authorities. Such facts shall include, without limitation, the Customer's suitability to engage in any Investment transaction, the Customer's financial wherewithal to finance transactions in Customer's Customer Account, including any transactions initiated by any person holding Power of Attorney over such Customer Account, and the genuineness of all documents, certificates and signatures relating to or required for each such Customer Account.

\_\_\_IB's initial



### 3.0 Customer Accounts; Policies And Procedures

- f. IB shall comply with the rules and regulations of all relevant regulatory entities, exchanges and self-regulatory organizations related to the purchase and sale of Financial Investments, including, without limitation, all record keeping and registration requirements pertaining thereto (collectively, "Rules and Regulations"). IB shall use its best efforts to assure that Customer complies with all applicable position limits established by the appropriate regulators. IB shall not knowingly permit any transaction to be effected in any Customer Account in violation of such limits. IB shall promptly report to KI any Customer's Customer Account exceeding any applicable limit.
- g. IB shall not accept for deposit or credit into any account owned or controlled by IB any money, securities or property (or extend credit in lieu thereof) to margin, guarantee or secure any trades, contracts or positions effected or carried in any Customer's Customer Account.
- h. IB shall instruct any Customer who wishes to deposit funds into such Customer's Account by electronic funds transfer to wire such funds directly to KI not to IB.
- i. All checks or drafts accepted by IB in connection with a Customer's Customer Account must be made payable to KI. IB shall immediately forward any and all such checks and drafts to KI. IB shall not withhold from KI or delay delivering to KI, nor instruct other to withhold from KI, any money, securities or property to margin, guarantee or secure any trades, contracts or positions effected or carried in any Customer's Customer Account. It shall be a material breach of this Agreement for IB to accept a check or draft from or on behalf of any Customer for deposit into the Customer Account of such Customer if IB knows or reasonably should know that the bank account upon which such check or draft has been drawn does not contain sufficient collected funds to cover the face amount of such check or draft at the time of IB's acceptance thereof.
- j. IB shall comply with all rules and Regulations and with all policies and procedures instituted by KI regarding the transmission of orders for execution for the Customer Account of any Customer
- k. IB agrees to promptly compare all reports of execution after the close of trading each day for accuracy and completeness. IB acknowledges that KI shall not be liable in any manner whatsoever for any loss resulting from errors which were or should have been revealed by such comparison unless such errors are reported to KI prior to the opening of the applicable contract market the next business day. Concurrence between the parties with respect to such trades shall be final and binding provided, however, that any such trade shall be adjusted if floor and/or clearing organization reports support the amendment, cancellation or addition of such trade. KI shall promptly report such amendment, cancellation or addition to IB.

contd.

\_\_\_IB's initial



### 3.0 Customer Accounts; Policies And Procedures

- l. IB shall promptly provide KI with information related to any Customer claim, complaint, any regulatory or other action taken, pending or proposed in connection with the operation of IB's business or the conduct of any of IB's employees or agents. IB shall promptly report to KI any special calls for information made upon the Customer by any regulatory authority. Further, IB shall refrain from soliciting or accepting any orders for any Customer who is in violation of such special calls.
- m. For each Customer, IB shall be responsible for the payment of initial and maintenance margin requirements, as established by KI. IB shall have the right to set margin requirements above those set by KI.
- n. For each Customer, IB shall be responsible for such Customer's losses, charges and deficiencies. IB shall be responsible for the payment of each such Customer's debits, which will be deducted from IB's share of earned commissions. (See Appendix A.) If any such Customer later pays all or part of any such debit, the amount so paid minus KI's expenses (including attorneys' fees) will be repaid to the IB.
- o. IB shall diligently supervise the activities of all of its employee, associated persons, agents and representatives with respect to sales practises in accordance with all applicable Rules and Regulation and Regulations of its own country.
- p. IB shall provide KI with complete and accurate information about each Customer Account and Customer and shall provide KI with copies of any correspondence, memoranda or other records maintained by IB with respect to Customer introduced by IB to KI. IB shall adopt such rules, procedures and programs as shall enable IB to provide commercially prudent service to its Customers with regards to the opening and supervision of such Customers' accounts.
- q. IB shall have full responsibility with regard to customer inquiries and complaints, provide that upon notification, KI shall provide IB with any assistance which IB may reasonably request in order to enable IB to handle such inquiries and complaints
- r. It is acknowledged that a Customer may, at IB's request, enter into a separate agreement and/or execute a separate document granting IB a security interest in the assets of such Customer. In light of the foregoing, IB agrees that the security interests granted to KI pursuant to the Account Papers executed by any Customer shall be, with respect to any assets of such Customer that may be in the possession or control of KI or IB from time to time, senior to and of higher priority than any security interests granted to IB by such Customer under any such separate agreement or separate document. IB further agrees that KI may require IB to include a reference to KI's senior security interest within each such separate agreement, as well as a provision which subjects a Customer to a fee for transferring accounts from KI to another clearing firm.

\_\_\_IB's initial





## 4.0 Execution And Clearing Charges

During the term of this Agreement, IB shall pay KI such amounts as are set forth in Exhibit A hereto, as amended from time to time in writing.

## 5.0 Fees Payable

Subject to any withholdings as described herein, KI shall forward accrued and collected commissions payable, less execution and clearing charges to IB not later than 15 days after the end of the month during which such commissions were earned. Notwithstanding the foregoing sentence, in accordance with KI's right of offset as set forth in Section 13.0 (below), KI may, in KI's sole discretion, reduce the amount of any commission payable hereunder by any and all amounts then owing to KI by IB including, without limitation, interest.

## 6.0 Expenses Payable

IB will be responsible for reimbursing KI for all expenses incurred in conjunction with any audit of IB that KI is required to perform. All expenses of the parties arising in any way from this Agreement but not specially named herein, shall be sole responsibility of and payable by, the party incurring same. In addition, each party will pay its own costs and expenses (including attorney's fees, accountants' fees and other professional fees and expenses) in connection with the negotiation and execution and performance of this Agreement.

## 7.0 Commissions Charged by IB

Subject to the Rules and Regulations and the limitations set by KI, IB shall have the right to set commissions rates to charge Customers. IB will be responsible for timely informing KI of all such commission rates IB charges.

\_\_\_IB's initial



## 8.0 Security Deposit

- a. To ensure performance by IB of its obligations hereunder, IB shall deposit with KI such amounts as KI shall require from time to time ("Security Deposit").
- b. During and after the term of this Agreement, if KI determines, in its sole discretion, that it is, or may be, entitled to payment for amounts due hereunder, KI may deduct all such amounts from the Security Deposit or any other amounts held for IB's benefit or due and owing to IB hereunder including, but not limited to, commissions payable to IB. Following termination of this Agreement, KI shall be entitled to deduct such amounts as KI deems appropriate in accordance with the foregoing. Thereafter, if KI determines, in its sole discretion, that appropriate reserves have been established to cover future obligations of IB to KI, KI shall return the balance of the security deposit or for any other reason, IB agrees that KI may deduct funds from IB's commissions to repay such amount(s), along with any interest thereon.

## 9.0 Interest

Interest income earned through the investment of any credit balances in any Customer Account shall be proprietary to KI. No interest shall be paid or credit given to IB for any credit balances which may be left on deposit from time to time with KI

## 10.0 Confidentiality

IB and KI agree that any information not in the public domain which either party learns about the business of the other party or gains access to as a result of the transactions contemplated herein shall not be divulged to third parties. Moreover, KI and IB shall take such steps as may reasonably be necessary to prevent all third parties from gaining access to such information.

\_\_\_IB's initial



## 11.0 KI Documents

IB may have access to, possession, care, custody and control of KI's documents, information and materials. IB agrees to maintain and ensure the confidentiality of KI's trade secrets, marketing documents and other confidential and/or proprietary documents, information during the term of this Agreement and subsequent to the termination same. Upon the termination of this Agreement IB will immediately return to KI any and all documents, information and materials containing the confidential and/or proprietary property of KI and any and all the photocopies and reproductions thereof. IB acknowledges that all Account Papers, order tickets, and other records relating to Customer Accounts and/or Customer introduced by IB are the property of KI and shall be returned over to KI promptly on demand. IB further agrees not to utilize any of KI's trade secrets, confidential, proprietary and marketing documents to KI's detriment.

## 12.0 Indemnification

- a. IB hereby agrees to indemnify, defend and hold harmless KI, its subsidiaries, affiliates, officers, directors and employees, as well as all of the persons controlling any of them (collectively the "Indemnified Parties") from and against all manner of claims, demands, proceedings, suits and actions and all liabilities, losses, expenses and costs (including reasonable attorneys' fees), fines and penalties resulting from or in connection with the following:
  - (i) IB's failure to comply with any and all instructions and/or orders received from any Customer and/or KI;
  - (ii) IB's failure to comply with any applicable rules, regulations or laws;
  - (iii) IB's failure to perform any of its obligations to KI under this Agreement;
  - (iv) any lawsuit, action, arbitration or other proceeding relating to IB's conduct, whether or not a finding of IB wrongdoing has been adjudicated; or
  - (v) any other act, omission or failure to act by IB, its affiliates, subsidiaries, agents, employees, representative, and/or associated persons, wherein such act, omission or failure to act results in any claim, demand, proceeding, lawsuit or action against KI or any liability, loss, expense or costs (including reasonable attorneys' fees) to KI:
- b. IB shall also indemnify, defend and hold harmless KI from and against:
  - (i) any failure or refusal by a Customer to deposit or maintain the proper margin, as established in the sole discretion and judgement of KI
  - (ii) any failure or refusal by a Customer to remedy or offset a deficit balance; or
  - (iii) any failure by IB promptly to obtain from any Customer, or promptly to forward to KI upon receipt from any such customer, any currency, securities or other property
- c. IB shall pay to KI any amount subject to indemnification pursuant to Section 12(b) above immediately upon KI's demand therefore.

\_\_\_IB's initial



## 13.0 Set-off

KI shall have the right in its sole and absolute discretion to apply collateral, compensation currently due or to become due, and such other assets or funds of IB in the possession, custody or control of KI against any amount owing to KI by IB including (i) margin and liquidating deficit balances in Customers' Accounts, together with any and all costs, damages, losses (including cost and reasonable attorneys' fees) incurred in collecting such deficit; (ii) IB's error accounts; (iii) expenses paid, loans or other advances made by KI on behalf of or to IB; and (iv) guarantees and indemnities hereunder. KI agrees to notify IB in advance of any exercise of its right to set-off. The failure to give such notice, however, shall not affect the validity of such set-off.

## 14.0 Limitation Of Authority

IB does not have any authority to enter into any contracts on behalf of KI nor to use KI's name in any outside business activities without the express prior written consent of KI's Chief Executive Officer, Director of Compliance or his duly appointed designee. The parties acknowledge that IB is a separate and distinct entity and is completely independent from KI. Nothing contained herein shall be construed or deemed by the parties hereto, or by any third party, as creating an agency, partnership, joint venture or employer-employee relationship between KI and IB or authorizing IB to use the name, style, trademarks, trade names, service marks or logo of KI, nor shall IB represent or imply in any way that there is a relationship other than as outline in the Agreement. KI shall have no responsibility or liability, whether real, contingent or otherwise for actions or inactions of IB with respect to any Customer or other third party. In performing the services contemplated hereunder, IB is, and in all respects of its relationship with KI shall operate, as an independent contractor. IB is solely responsible for self-employment, income, or other taxes resulting from this Agreement.

## 15.0 Duty To Advice

IB agrees to notify KI promptly, in writing if in the future would be required to respond yes to any Disciplinary History Items. IB further agrees to notify KI General Counsel and Director of Compliance immediately of any action or proceeding filed or threatened against KI or IB by any Customer.

\_\_\_IB's initial



## 16.0 Duty To Cooperate

IB agrees to cooperate fully with KI in connection with KI's investigation and/or defence of any claim, demand, proceeding, suit, action and/or any regulatory inquiry, investigation or action.

## 17.0 Written Communications And General Advertising

IB shall not issue, publish or distribute any advertisement, market letter, market research report or other sales literature containing a reference to Kerford Investments (UK) Ltd without the prior written consent of KI's Director of Compliance. Notwithstanding the foregoing, IB shall be entitled to employ correspondence of a general nature describing the services available from KI hereunder. Prior to first use of any such general correspondence, however, IB shall allow KI a reasonable opportunity to review and approve the contents thereof. IB, at all times relevant hereto, shall fully comply with any compliance rules then in effect, concerning advertising and communications with any Customer.

## 18.0 Representations And Warranties

- a. IB represents and warrants that: (i) IB, on behalf of itself and its directors, partners, and employees, has obtained and will maintain through the entire term hereof all licenses and regulations necessary and required for the conduct of its business as an introducing broker under any regulatory or self-regulatory organization that requires such licensing or registration; (ii) IB has all requisite authority to enter into this Agreement and to retain the services of KI in accordance with the terms hereof; (iii) all IB employees, agents and associates persons, to the extent required, have been and will continue to be duly registered and licensed as necessary in order to conduct the transactions contemplated hereby; (iv) the person(s) executing this Agreement on behalf of IB, if IB is an entity other than a natural person, are IB duly authorized and acting agents and have full power and authority to execute this Agreement on behalf of IB; (v) IB will operate within the applicable laws and regulations including, without limitation, those laws and regulations in effect in the country in which IB is domiciled.
- b. KI represents and warrants that: (i) KI is authorised and regulated by the FSA (ii) KI is, and during the term hereof shall remain, duly registered and licensed and in good standing, (iii) KI has all requisite authority to enter into this Agreement; (iv) KI is in compliance, and during the term of this Agreement shall remain in compliance, with the capital and financial reporting requirements of every regulatory agency and self-regulatory organization to which KI is subject.

contd.

\_\_\_IB's initial



## 18.0 Representations And Warranties

- c. The parties represent and warrant that their conduct during the term of this Agreement shall be in strict compliance with (i) the appropriate laws, rule and regulations of their own countries as well as each of KI written policies and procedures. The parties further agree to notify each other promptly if any such registration, membership or license lapses, terminates or is suspended. In such event, the affected party shall provide the other party with report stating the reasons for such lapses, suspension or termination and the effective date thereof.

## 19.0 Waiver

Nothing in this Agreement is intended to obligate either party to exercise any right which such party may have against the other party. Said rights are entirely optional with each party and each party may elect on any occasion not to exercise said rights without thereby waiving the right to insist upon compliance with this Agreement thereafter. The rights and remedies conferred upon the parties hereto shall be cumulative, and the exercise or waiver of any such rights or remedies shall not preclude or inhibit the exercise of additional rights or remedies.

## 20.0 Assignability

This Agreement shall not be assignable by IB. Any assignment of this Agreement by KI to another entity shall be valid and enforceable. Without limiting the generality of the foregoing, KI shall have the specific right to assign to a third party any or all claims KI may have against IB with respect to amounts owing to KI under this Agreement, including, without limitation, any debit or deficit balance that may exist in any Customer Account.

\_\_\_IB's initial



## 21.0 Invalid Provisions; Governing Law; Jurisdiction And Venue

- a. In order to induce KI to accept this agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, IB specifically and expressly agrees to the following:
  - (i) ANY JUDICIAL OR ADMINISTRATIVE ACTION OR PROCEEDING ARISING DIRECTLY OR INDIRECTLY HEREUNDER OR IN CONNECTION WITH ANY TRANSACTION(S) CONTEMPLATED HEREIN, WHETHER BROUGHT BY IB OR KI, SHALL TAKE PLACE, AT THE SOLE DISCRETION OF KI, IN A COURT OR OTHER DISPUTE FORUM SITUATED IN THE UNITED KINGDOM. IB CONSENTS AND SUBMITS TO, AND WAIVES ANY AND ALL OBJECTIONS IB MAY HAVE TO, SUCH VENUE, AND FURTHER AGREES TO WAIVE AND FOREGO ANY RIGHT IB MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY ACTION OR PROCEEDING ENCOMPASSED HEREBY.
  - (ii) IB CONSENTS AND SUBMITS TO THE JURISDICTION OF UK LAW IN ANY ACTION, DISPUTE, CLAIM OR PROCEEDING, INCLUDING, BUT NOT LIMITED TO, ANY ARBITRATION PROCEEDING, ARISING DIRECTLY OR INDIRECTLY HEREUNDER OR IN CONNECTION WITH, OUT OF, OR RELATED TO OR FROM THIS AGREEMENT, ANY OTHER AGREEMENT BETWEEN IB AND KI, OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN, WHETHER BROUGHT BY IB OR KI. KI SHALL HAVE THE SOLE ELECTION AS TO WHETHER ANY ACTION PROCEEDS IN COURT OR WHETHER SUCH ACTION PROCEEDS BEFORE AN ARBITRATION PANEL. IB AGREES TO SERVICE OF PROCESS BY STANDARD FIRST CLASS DELIVERY VIA POST. IB HEREBY AGREES THAT SERVICE TO THE NOTICE ADDRESS SET FORTH IN SECTION 29.0 BELOW SHALL CONSTITUTE ADEQUATE SERVICE, AND ACKNOWLEDGEMENT OF SUCH SERVICE IS HEREBY EXPRESSLY WAIVED.
- b. This Agreement shall be governed by, construed and enforced under and in accordance with the substantive laws of United Kingdom
- c. The invalidity or unenforceability of any provision or any portion of any particular provision herein shall not affect the validity of any other provision.

## 22.0 Miscellaneous Provisions

Whenever necessary to this Agreement and where the context admits, the singular term and related pronoun shall include the plural and vice-versa, and the masculine and neuter terms shall be interchangeable. The section heading contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement

\_\_\_IB's initial



## 23.0 Effective Date And Termination

This Agreement shall be effective upon the date first written above and shall remain effective until terminated by either party upon thirty (30) days written notice to the other. Parties may terminate immediately, without notice should any registration required of the other party be revoked or suspended, or should either party violate any of the terms of this Agreement, become insolvent, bankrupt, or fail to meet any financial obligation due the other party within five (5) days after receipt of written demand. This Agreement may also be terminated immediately without notice by KI at KI's options, if any representations, warranties, duties, responsibilities or obligations of IB cease to be true or duly performed during the term of this Agreement, or of other good cause. The termination of this Agreement does not terminate, suspend or waive any obligations the IB owes to KI pursuant to Sections 8.0, 10.0, 11.0, 12.0, 13.0, 14.0, 15.0, 16.0 and 21.0 above and 29.0 below. All provisions of this Agreement relating to Customer margin, deficit, payments, set-off, confidentiality, guarantee and indemnification, shall survive the termination of this Agreement. A party's rights of termination hereunder shall be in addition to any and all other remedies or rights to which such party may be entitled, including, without limitation, any other remedies or rights under the terms of this Agreement.

## 24.0 Agreement Binding

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

## 25.0 Prior Agreement

This Agreement supersedes and replaces any and all previous agreements between IB and KI.

## 26.0 Tape Recording

The parties may tape record any phone conversations between themselves without further notice or the use of any automatic tone warning device, and any such prior recordings are hereby ratified. Such recordings shall remain the property of the party having made the recording and may be employed at the discretion of either party in any dispute. No specific retention or destruction schedule for such recordings is required of the parties.

\_\_\_IB's initial





## 27.0 Counterpart

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

## 28.0 Notices

All notices, requests, demands and other communications required to be given under this Agreements shall be in writing and delivered either in person, by certified email, telegram or printed telecommunication, to the address identified below or such the address as the parties may designed in writing and shall be deemed given upon delivery, mailing or transmittal by telegram or printed telecommunication, as the case may be:

To KI:           Kerford Investments (UK) Ltd  
                    1st Floor  
                    239 High Street Kensington  
                    London, W8 6SN

To IB:           \_\_\_\_\_

Address        \_\_\_\_\_

Address        \_\_\_\_\_

City            \_\_\_\_\_

Country        \_\_\_\_\_

## 29.0 Presumption

This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party. This Agreement shall be deemed to be the joint work product of both of the parties to this Agreement without regard to the identity of the draftsperson, and any rule of construction that a document shall be interpreted or construed against the drafting party shall not be applicable.

\_\_\_\_IB's initial



## 30.0 Acceptance

This Agreement shall not be deemed to be accepted by KI or become a binding contract between KI and IB until approved at KI's home office and signed by an authorized representative of KI.

**IN WITNESS WHEREOF**, the parties have entered into this Agreement effective as of the date first written above.

IB: \_\_\_\_\_

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Kerford Investments UK Ltd

By:

Signature: \_\_\_\_\_

Shiraj Hussain

Title: Director

Date: \_\_\_\_\_

\_\_\_\_IB's initial



## Personal Guaranty

THIS GUARANTY ("Guaranty") is entered into \_\_\_\_\_20\_\_\_\_, by IB \_\_\_\_\_ ("Guarantor"), to Kerford Investments UK Ltd, with its offices based in: 1st Floor, 239 High Street Kensington London, W8 6SN

## Recitals

"IB" has entered into a Clearing Agreement of even date herewith (the "Clearing Agreement").

Guarantor has a financial interest in IB.

By reason of the foregoing, it will be in Guarantor's direct interest and advantage to enable IB to enter into such Clearing Agreement and derive substantial benefits there under

As an additional inducement for KI to enter into and perform its obligation under the Clearing Agreement, KI is requiring that Guarantor execute and deliver this Guaranty in favour of KI.

NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:

- 1) Guarantor unconditionally, absolutely, continuing and irrevocably guarantees to KI the prompt payment in full, when due or declared due, of all sums which are now or may be hereafter become due and owing to KI from IB under their Agreement (the "IB" Liabilities) and the prompt performance of all IB obligations to be performed, observed, complied with or discharged by IB under the clearing agreement (the "IB" Obligations)
- 2) In the event of any default by IB in the payment of any IB Liabilities or in the performance of any IB Obligations, Guarantor agrees, upon five (5) days prior written notice by KI to pay all of IB Liabilities and to perform all of IB Obligations as are then or thereafter become due and owing or required to be performed under the terms of the Agreement, and to pay expenses incurred by KI in protecting, preserving or defending its interests under the same, including, without limitation, all reasonable attorney's fees and costs.
- 3) Guarantor hereby expressly waives; (i) notice of acceptance of this Guaranty by KI and any and all notices and demands of every kind which may be required to be given by any statute, rule or law, (ii) presentment for payment, demand for payment (other than as provided for in paragraph 2 above), notice of non-payment or dishonour, protest and notice of protest, diligence in collection and any and all formalities which otherwise might legally be required to charge Guarantor with liability, (iii) notice of any modification to the Clearing Agreement or any extension of time granted to IB and (iv) any failure by KI to inform Guarantor of any facts KI may now or hereafter know about IB, or the transactions contemplated by the Clearing Agreement, it being understood and agreed that KI has no duty to so inform in that the Guarantor is fully responsible for being and remaining informed by IB of all circumstances bearing on the existence or creation, or the risk of non-payment, of the IB Liabilities or the risk of non-performance of the IB Obligations. Guarantor expressly acknowledges that any amendment or modification of the Clearing Agreement shall not in any manner release, affect or impair his liability under this Guaranty. Guarantor further agrees that the invalidity of the Clearing Agreement or any obligation there under shall not affect or impair his liability under this Guaranty.

contd.

\_\_\_IB's initial



## Recitals

- 4) This is an absolute, unconditional, irrevocable, present and continuing guaranty of payment and performance and not of collection. Guarantor agrees that this Guaranty may be enforced by KI only after five (5) days prior written notice, but without the necessity at any time of resorting to or exhausting any other remedy against IB, and Guarantor hereby waives the right to require KI to commence any actions against or obtain any Judgment against IB or to pursue any other remedy or enforce any other right
- 5) This Guaranty shall be construed pursuant to the laws of United Kingdom, shall inure to the benefit of KI, its successors and assigns and shall be binding on Guarantor and their respective legal representatives and permitted assigns. The dissolution of IB shall not affect this Guaranty or any of the Guarantors' obligations and liabilities to KI under this Guaranty. Guarantor shall not assign or transfer his obligations hereunder without the express prior written consent of KI
- 6) All communications to any of the parties hereunder may be sent to KI or the Guarantor in the manner and at the address set forth in the Clearing Agreement, it being understood that notice to the Guarantor shall be addressed to the Guarantor
- 7) If; (i) This Guaranty is placed in the hands of an attorney for collection or is collected through any legal proceedings, (ii) an attorney is retained to represent KI in any bankruptcy, reorganization receivership or other proceedings affecting creditors' rights and involving a claim under this Guaranty or the Clearing Agreement or (iii) an attorney is retained to represent KI in any other proceedings whatsoever in connection with this Guaranty, then Guarantor shall pay to KI upon demand all reasonable attorneys' fees, costs and expenses, including without limitation, court costs, filing fees, recorded costs, and all other costs and expenses incurred in connection with therewith, in addition to all other amounts due hereunder.
- 8) If any provision of this Guaranty or the application hereof to any party or circumstance is held invalid or unenforceable, the reminder of this Guaranty and the application of such provision or provisions to the other parties circumstances will not be affected thereby, the provisions of this Guaranty being severable in any such instance.

IN WITNESS WHEREOF, the undersigned have executed this Guaranty as of the date first above written.

Guarantor

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_IB's initial



## Exhibit A

### Schedule of Fees

KI will charge Introducing Broker ("IB") the following monthly commission rate for those customers referred to KI from IB:

**Commodities, CFD's and other financial instruments:**

\$\_\_\_ per contract side (\$\_\_\_00 per round turn) plus fees if any.

**Spot Forex:**

\$\_\_\_ per contract side (\$\_\_\_00 per round turn) over direct costs

IB By: \_\_\_\_\_

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Kerford Investments (UK) Ltd  
1st Floor,  
239 High Street Kensington  
London, W8 6SN

\_\_\_\_\_  
Director

Date: \_\_\_\_\_

\_\_\_\_IB's initial



## Identification Legal Opinion

On this, \_\_\_\_\_<date>, the undersigned \_\_\_\_\_< name of the notary/lawyer> with office in \_\_\_\_\_<place> declares that he has assured himself of the following:

1) **Legal form**

\_\_\_\_\_<name> is a \_\_\_\_\_< legal definition of company or entity> according to the law of \_\_\_\_\_<country>.

2) **Name pursuant to the articles of association**

\_\_\_\_\_<name>

3) **Trading name**

\_\_\_\_\_<name>

4) **Address, house number, post office box, postal code, country**

\_\_\_\_\_

5) **Statutory seat**

\_\_\_\_\_<city and country where the company is established>

6) **Registration**

The company is registered with \_\_\_\_\_ <Chamber of commerce, county clerk or other official registrar> under file number \_\_\_\_\_

7) **Names of authorised signatories and representatives**

\_\_\_\_\_ <Name, date and place of birth, document used for identification, document number>

\_\_\_\_\_ <Name, date and place of birth, document used for identification, document number>

8) **Disclosure of the ultimate beneficiaries**

\_\_\_\_\_ <company> irrevocably offers to Kerford Investments UK Ltd. upon its first request and to the full satisfaction of Kerford Investments UK Ltd. , to immediately disclose the ultimate beneficiaries.

*The undersigned declares that he operates independently from and is under no obligation whatsoever towards the legal entity mentioned above. This affidavit is solely intended to be used as a means of identification.*

This instrument may only serve to open an account with Kerford Investments (UK) Ltd, Fulham Business Exchange, Imperial Wharf, London SW6 2TL, England.

Executed in \_\_\_\_\_<place of office of the notary/lawyer> on \_\_\_\_\_<date, month, year>

**Attachments:**

- Legalised copy of the registration of the company, translated into English;
- copy of the passports of the signatories;

\_\_\_\_IB's initial



## Guideline Documentation For Introducing Broker Relationship

(Foreign language plus English translation)

1. Letter of Reference IB's broker's principal banker;
2. Certified copy of the Articles of Incorporation, Memorandum and/or Articles of Association;
3. Copy of the Board minutes setting forth the authorized signatories and traders and identifying the officers of the corporation;
4. Copies of the passports of the signatories; 2 Proof of Address for each signatory.
5. Disclosure of the ultimate beneficiaries - including the owners/IB's beneficial interest.
6. Legal opinion as to the proper registration of IB in the country in which it operates or that same is exempt from registration.
7. Business License of Certificate of Incorporation of the IB in their country of operation.



**KERFORD INVESTMENTS (UK) LTD.**  
Authorised and Regulated by the Financial Conduct Authority (FCA)

**Registered Office:** 43-45 Dorset Street, London W1U 7NA  
**Administration Office:** Suite 8A Fulham Business Exchange, The Boulevard, Imperial Wharf, London SW6 2TL  
Tel: +44 (0)203 302 9919  
[www.kerford.co.uk](http://www.kerford.co.uk)