



## **TERMS AND CONDITIONS OF BUSINESS**

**April 30, 2012**

**Version 1.0**

### **Marigold Global Markets Corporation**

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#### **NOTICE**

Please be advised that trading in Derivative Instruments involve, besides the potential for profit, the risk of loss which may under adverse trading conditions exceed the amount of initial margin deposit. Movements in the prices of Derivative Instruments are influenced by a variety of factors of global origin and dimensions many of which are unpredictable. Client may be unable to settle adverse trades during volatile market movements in the prices of Derivate Instruments. Although the staffs of MGMC are in constant touch with market movements, they are unable to guarantee the accuracy of their predictions nor could they guarantee that any loss would not exceed a specified figure.

**1. INTRODUCTION**

- a) Marigold Global Markets Corporation (hereinafter referred to as "MGMC" ) is a global investment firm that trades in financial and commodity-based derivative instruments and other securities.
- b) MGMC is incorporated (Certificate of Incorporation No. 108896) in the Belize through the Department of Registrar of International Business Companies. MGMC is authorized and regulated by the Belize International Financial Services Commission (license number IFSC/60/208/TS/12) for trading in financial and commodity-based derivative instruments and other securities.

**2. ACKNOWLEDGEMENT**

- a) The Client acknowledges that he / she read, understood and accepted the Terms and Conditions of Business ('the Terms and Conditions'), as amended from time to time (together, the 'Service Agreement') in addition to any information contained within MGMC's website, including but not limited to the 'Legal Information' and the 'Legal Documentation' available online at [www.mgmc-belize.com](http://www.mgmc-belize.com).
- b) By accepting the Terms and Conditions, which form part of the Service Agreement, the Client enters into a binding legal agreement with MGMC.
- c) The Client acknowledges that MGMC's official language is the English language.

**3. SCOPE OF THE TERMS AND CONDITIONS OF BUSINESS**

- a) The Terms and Conditions governs all the actions that relate to the execution of the Client's orders.
- b) The Terms and Conditions is non-negotiable and overrides any other agreements, arrangements, express or implied statements made by MGMC unless MGMC determines, in its sole discretion, that the context requires otherwise. If the Terms and Conditions is to be amended, reasonable notice shall be given by MGMC to the Client.
- c) The International Business Companies Act Chapter 270 of the Laws of Belize, Revised Edition 2000 which implements Section 14(3) of The International Business Companies Act, does not require the Terms and Conditions to be signed by either MGMC or the Client in order for both MGMC and the Client to be legally bound by it.

**4. DEFINITION OF TERMS**

- a) Unless indicated to the contrary, the terms included in the Terms and Conditions shall have specific meaning and may be used in the singular or plural as appropriate.

Ask	Shall mean the price at which MGMC is willing to sell a CFD.
Authorized Representative	Shall mean either the natural or legal person who is expressly authorized by the client to act on his / her behalf; The above mentioned relationship is documented through a Power of Attorney, a copy of which is held by MGMC.
Balance	Shall mean the funds in a trading account that are available for withdrawal.
Balance Currency	Shall mean the currency that the trading account is denominated in. It should be noted that all charges including spreads, commissions and swaps, are calculated in that currency.
Base Currency	Shall mean the first currency represented in a currency pair, for example in the EURUSD currency pair the base currency is the EUR.
Bid	Shall mean the price at which MGMC is willing to buy a CFD.

Client	Shall mean either the natural or legal person who received the e-mail referred to in paragraph 4 of the Client Agreement.
Client Agreement	Shall mean the Client Agreement, which together with the Risk Disclosure Notice, forms the basis on which MGMC provides investment and ancillary services to the client, available online at <a href="http://www.mgmc-belize.com">www.mgmc-belize.com</a> .
Contract for Difference (CFD)	Shall mean a CFD on spot foreign exchange ('FX'), or a CFD on shares, or a CFD on spot metals, or a CFD on futures or any other CFD related instrument that is available for trading through the MGMC trading platform(s). A full list of the financial instruments is available online at <a href="http://www.mgmc-belize.com">www.mgmc-belize.com</a> .
Corporate Actions	Shall mean, in the context of the Terms and Conditions, any action taken by an issuer, whose listed securities are associated with the financial instruments traded through the MGMC trading platform(s), including but not limited to instances of: (i) stock split, (ii) consolidation, (iii) rights issue, (iv) merger and takeover and (v) dividends.
Declared Price	Shall mean the price that the client requested for either an instant execution or pending order.
Equity	Shall mean the balance plus or minus any profit or loss that is derived from any open position.
Free Margin	Shall mean funds that are available for opening a position. It is calculated as: $\text{Free Margin} = \text{Equity} - \text{Margin}$
Good Till Cancelled (GTC)	Shall mean a pending order for which the client did not specify an expiry date and time and such order shall remain valid for an indefinite time until fully or partially executed, or cancelled.
Instant Execution Order	Shall mean an order that is executed at the price that appears on the screen at the time that the client sends the instruction for trading through MGMC Top Trader.
Lot	Shall mean the unit that represents the volume of a transaction. It should be noted that 1 lot equals 100,000 units of base currency, for example 1 lot in EURUSD equals EUR 100,000; therefore, 0.1 of a lot is 10,000 units of base currency.
Margin	Shall mean the required funds available in a trading account for the purpose of maintaining an open position.
Margin Level	Shall mean the Equity to Margin ratio calculated as: $\text{Margin Level} = \text{Equity} / \text{Margin}$
Market Maker	Shall mean the company, or the individual, that quotes both a buy and a sell price in a financial instrument.
Open Position	Shall mean any position that has not been closed. For example, an open long position not covered by the opposite short position and vice versa.
Over-the-Counter (OTC)	Shall mean the execution venue for any financial instruments whose trading is governed by the Service Agreement.
Pending Order order.	Shall mean either a buy stop, or sell stop, or buy limit, or sell limit order.
Stop Loss	Shall mean an instruction that is attached to an instant execution or pending order for minimizing loss.

Take Profit	Shall mean an instruction that is attached to an instant execution or pending order for securing profit.
Trading Account	Shall mean the account, which has a unique number, maintained by a client for the purposes of trading financial instruments through the MGMC trading platform(s).
Value Date	Shall mean the delivery date of funds.
Variable Currency	Shall mean the second currency represented in a currency pair, for example in the EURUSD currency pair the variable currency is the USD.

## **5. ELECTRONIC TRADING**

- a) Once the Service Agreement commences according to paragraph 4 of the Client Agreement, the client shall:
- 1 download and install the trading platform(s) software ('the Software') available online at [www.mgmc-belize.com](http://www.mgmc-belize.com); and
  - 2 receive, through an e-mail, access codes ('the Access Codes') to enable him / her log-in to the trading platform(s) in order to send and / or modify instructions for the purpose of trading financial instruments.
- b) The Software, which may have been developed by a party other than MGMC, supports data security protocols compatible with the protocols used by MGMC.
- c) The client shall be solely responsible for any instructions sent and / or received through the trading platform(s) from the client or his / her authorized representative.
- d) The client shall ensure that his / her Access Codes remain confidential at all times. If, under any circumstance, the client reveals the Access Codes to either a natural or legal person, other than his / her authorized representative, MGMC shall bear no responsibility for any loss that arises, including but not limited to financial loss, as a result of the client's actions.
- e) The client shall immediately inform MGMC if it comes to his / her attention that the Access Codes have been used, either for trading or other purposes, without his / her expressed consent. The client accepts that MGMC is unable to identify any instances when a person, other than the client or his / her authorized representative, is logging-in to the trading platform(s) without the client's expressed consent.
- f) The client accepts that MGMC reserves the right to terminate the client's access to the trading platform(s) in order to ensure and / or restore the orderly operation of the trading platform(s) and protect the interests of both the clients and the Firm; under such circumstances MGMC may, at its discretion, close any of the client's trading account(s), according to paragraph 17.e of the Client Agreement.
- g) The client accepts that MGMC bears no responsibility if either a natural or legal person attains through unauthorized access any information, including information regarding client's trading, whilst such information is being transmitted from the client to MGMC and vice versa. Such transmission may either occur through electronic or other means.
- h) The client accepts that MGMC bears no responsibility for any loss, including but not limited to financial loss, incurred by the client due to the inability of the latter to access the trading platform(s) if this has been caused: (i) due to the Client's failure to maintain the Software updated as required or (ii) due to any other mechanical, software, computer, telecommunications or electronic system failure that could have been controlled by either the client or MGMC.
- i) MGMC is responsible for maintaining its trading platform(s) and other related systems updated. The client accepts that MGMC or a relevant third party may, from time to time, perform maintenance that may include shutting down, restarting, or refreshing the servers to ensure effective and efficient operation of the trading platform(s) or other related systems. These actions may cause the trading platform(s) or other related systems to being inaccessible for a period of time. The client accepts that MGMC bears no responsibility for any loss, including financial loss, caused by any of the above.

- j) The client accepts that MGMC is not an internet service or electricity provider. Consequently, the former accepts that MGMC is not responsible for any failure to provide an investment or ancillary service, under paragraph 6.a of the Client Agreement, if such failure arises as a direct or an indirect result of an internet service or electricity failure.
- k) If for any reason the client is unable to access the trading platform(s) in order to send an instruction for the purpose of trading financial instruments he/ she may contact the Dealing Department at **dealing@mgmc-belize.com** or call on +501.2236910 to place a verbal instruction, subject to the restrictions referred to in the 'Recordings of Telephone Calls' section of the Client Agreement. It should be noted that the Firm reserves the right to reject such verbal instruction when the operator of the Dealing Department is not satisfied with the client's identify or clarity of instructions. Under such circumstances, MGMC reserves the right to request from the client to transmit an instruction through other means. The client accepts that at times of excessive transaction flow there might be some delay in connecting over the telephone with a member of the Dealing Department, especially when there are important market announcements.
- l) The Client understands and agrees that MGMC is the sole counterparty and therefore the Client will not bring any legal action, whether in tort, including negligence, breach of contract or otherwise, to any third party software and/or technology providers whose products and services assist in providing the platform to the Client.

## **6. INSTRUCTIONS AND ORDERS**

### **a) Transmission of Instructions**

1. MGMC shall agree in receiving instructions that have been transmitted only through the trading platform(s) or other electronic means determined by MGMC at the outset of the Service Agreement.
2. The client accepts that MGMC reserves the right to proceed in partial execution of the former's instruction(s).
3. MGMC shall, under certain circumstances, accept instructions by telephone or in person, provided that it is fully satisfied with the client's identity and clarity of instructions. For further details read the Recordings of Telephone Calls' section of the Client Agreement.
4. MGMC shall, at its discretion, confirm the instruction(s) received by the client if it deems that to be necessary.
5. The client accepts that MGMC bears no responsibility for any instructions that may be misinterpreted due to technical or other errors.
6. The client accepts that unless he / she informs in writing MGMC regarding the termination of the authorized representative, MGMC shall continue accepting instructions from the latter. Such instructions shall be valid and fully bind the client. In case the client needs to terminate the authorized representative the former shall provide MGMC with a written notice of 2 (two) business days.
7. The client accepts that once MGMC receives instruction(s) for trading financial instruments such instructions are final and cannot be cancelled or deleted, except where MGMC expressly agrees to such cancellation or deletion.

### **b) Quotes**

8. MGMC shall, at all times subject to instances outside the control of MGMC, transmit bid and ask prices (collectively 'the Quotes') through the trading platform(s) that are executable according to the client's instructions.
9. On the basis of paragraph 21.b.4 of the Client Agreement, MGMC shall determine at its discretion the Quotes that are executable and appear through the trading platform (s). The client accepts that he / she shall disregard any bid and / or ask prices quoted through any other system and / or tool other than MGMC Top Trader.
10. The client accepts that MGMC is solely responsible for determining the validity of the Quotes at any given time; therefore, MGMC reserves the right to send the client a re-quote, including but not limited to situations of high market volatility, if the former deems that to be necessary. Under the above mentioned circumstances, the client may either accept or reject the re-quote.

### c) Order Types

11 The client may send instructions for either:

- an instant execution order, and / or
- a pending order.

12 In terms of pending orders the client may send an instruction for:

12.1 Buy Limit:

An order to buy a CFD at a specified price lower than the current market price.

12.2 Sell Limit:

An order to sell a CFD at a specified price higher than the current market price.

12.3 Buy Stop:

An order to buy a CFD; the price is set above the current market price and is triggered when the market price reaches the buy stop instruction.

12.4 Sell Stop:

An order to sell a CFD; the price is set lower than the current market price and is triggered when the market price reaches the sell stop instruction. It should be noted that a stop loss and / or take profit may be attached to an instant execution or pending order.

13 The client accepts that once a pending order is received by MGMC the former may modify such order. It should be noted that the status of an order is available, at all times, through the trading platform(s). If the client is unable to access the trading platform(s) he / she can be notified of the status of an order by contacting the Dealing Department at [dealing@mgmc-belize.com](mailto:dealing@mgmc-belize.com) or calling +501.2236910.

14 A pending order that is an open order at the close of a specific trading session shall remain valid and shall be executed accordingly during a next trading session

15 The client accepts that pending orders are executed at the declared price on the first current price touch.

16 The client accepts that under certain trading conditions, including but not limited to situations of high market volatility or illiquidity, it may be impossible for MGMC to execute pending orders at the declared price; under such conditions, MGMC reserves the right to execute the order or modify the opening and / or closing price to provide the next best price. It should be noted that: if a pending order is executed at the next best price and as a result the stop loss and / or take profit instructions are no longer within the levels referred to in the contract specifications, available online at [www.mgmc-belize.com](http://www.mgmc-belize.com), the stop loss and / or take profit instructions shall be cancelled.

17 The client understands that if conditions described in paragraph c.16, above, materialize, a stop loss instruction attached to a pending order may not limit the client's potential loss to the intended amount given that MGMC may be unable to execute at the declared price.

18 MGMC, at margin level of less than 10% (ten), has the discretion to begin closing positions starting from most unprofitable one. MGMC, at margin level of less than 5% (five), is automatically closing positions at market price.

19 The client accepts that MGMC bears no responsibility for the download, installation and use of any trading related solutions such as expert advisors or trailing stop. If it comes to the

attention of MGMC that the client is using any such solutions, the former has the right to terminate the provision of investment and ancillary services to the latter, under the 'Termination and Default' section of the Client Agreement, in order to protect the orderly operation of the trading platform(s).

20 The client should bear in mind that in terms of volume financial instruments, traded through the trading platform(s), are measured in lots and the minimum volume of a transaction is 0.1 lot.

21 The client shall set the leverage that may range from 1:1 to 1:500, during the account opening process and he / she may send a request to amend the leverage level, at any time, through MGMC Direct available online at [www.direct.mgmc-belize.com](http://www.direct.mgmc-belize.com). It should be noted that MGMC shall monitor the leverage applied to client's positions, at all times. MGMC reserves the right to decrease the leverage depending on the client's trade volume.

22 It should be noted that every Friday, during 21.00 and 24.00 server time, and during any other timeframe specified by MGMC, subject to a notification sent to the client through the internal e-mailing system, the maximum leverage for opening a position shall be 1:100.

23 For further details, please refer to the 'Leverage (or Gearing)' section of the Client Agreement.

24 MGMC reserves the right to amend, at any time, the contract specifications of such financial instruments, available online at [www.mgmc-belize.com](http://www.mgmc-belize.com) in order to respond to a number of situations including but not limited to specific market conditions. The client is liable for ensuring that he / she remains informed, at all times, regarding the latest contract specifications.

## **7. REFUSAL TO EXECUTE ORDERS**

- a) The client accepts that MGMC shall have the right, at any time, to refuse at its discretion the provision of any investment or ancillary service, including but not limited to the execution of instructions for the purposes of trading financial instruments, without providing notice to the client.
- b) Paragraph 7.0, above, may come into force under certain circumstances, including but not limited to situations when:
  1. MGMC has reasonable grounds to believe that the execution of a client's order may:
    - (i) affect the orderly function of the market;
    - (ii) constitute an abusive exploitation of privileged confidential information;
    - (iii) contribute to the laundering of illegal funds;
    - (iv) affect in any manner the reliability or orderly operation of the trading platform(s); and
  2. the client's order relates to the purchase of a financial instrument but there is insufficient free margin in the relevant trading account to cover such purchase and any applicable charges.
- c) MGMC reserves the right to refuse the execution of a pending order and / or modify the opening / closing price of an order if a technical or other error occurs.
- d) The client accepts that MGMC may refuse to execute an instruction for trading financial instruments, if conditions described in paragraph 5.k, above, are triggered.
- e) The client accepts that if MGMC were to refuse the execution of a client's order, under the 'Refusal to Execute Orders' section, the obligations of the client under the Service Agreement shall remain unaffected.

## **8. CORPORATE ACTIONS**

- a) If a corporate action materializes, the client accepts that MGMC reserves the right to make appropriate adjustments to the value and/ or the size of a transaction and / or number of any related transactions. Any such adjustment aims in preserving the economic equivalent of the rights and obligations of both the client and MGMC immediately prior to a corporate action. It should be noted that these adjustments are conclusive and binding upon the client. The client will be informed accordingly by MGMC as soon as reasonably practicable.

- b) The client accepts that if he / she has any open positions that are affected by a corporate action, on the ex-dividend day MGMC reserves the right to close such positions at the last price of the previous trading day and open the equivalent position at the first available price on the ex-dividend day. Under the above mentioned circumstance, MGMC shall inform the client accordingly, through the internal e-mailing system, no later than the closing of the trading session prior to the ex-dividend day.
- c) MGMC bears no responsibility for notifying the client regarding announcements of corporate actions.

## **9. COMPLAINTS HANDLING PROCEDURE**

- a) Initially, complaints shall be addressed, to the Customer Support Department. If the client receives a response from the Customer Support Department but deems that the complaint needs to be raised, further, the client may contact the Compliance Department that is an independent department within MGMC. Both the Customer Support Department and the Compliance Department shall thoroughly examine any complaints as required, taking into account any information contained within the books and records of the Firm, including but not limited to the client's trading account journal.
- b) A complaint shall include:
  - the client's name and surname;
  - the client's trading account number;
  - the affected transaction number(s), if applicable;
  - the date and time that the issue arose;
  - and a description of the issue.
- c) A complaint must not include:
  - offensive language directed either to MGMC or an MGMC employee.
- d) MGMC may, at its discretion, refuse a complaint if paragraphs 17.5.1 and 17.5.4 of the Client Agreement come into force.

## **10. MISCELLANEOUS**

- a) The client accepts that all orders executed by MGMC shall be conclusive and binding. The client has two (2) business days, from the execution of an order, to dispute the execution (i) price, (ii) cost, (iii) speed, and (iv) method. Such dispute needs to be communicated to MGMC in writing.
- b) Unless specifically agreed otherwise, the client accepts that MGMC is under no obligation to provide electronic, or other, confirmation in relation to financial instruments traded through the client's trading account.
- c) Unless specifically agreed otherwise, the client accepts that MGMC shall provide no statements of accounts in relation to financial instruments traded through the client's trading account. The client may, at any time, review the current and historic state of his / her trading account through the trading platform(s).
- d) The client shall regularly consult the 'Help' menu or User Guide of the trading platform(s); if a conflict arises the Service Agreement shall prevail unless MGMC in its sole discretion, determines otherwise.

## **11. IMPORTANT INFORMATION**

- a) CFDs are not eligible for sale in certain jurisdictions or countries. The Notice is not directed to any jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations, including the United States of America. The Notice does not constitute an offer, invitation or solicitation to buy or sell CFDs. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. The Notice is not intended to constitute the sole basis for the evaluation of the client's decision to trade in CFDs



**12. FAQs**

a) Questions regarding the Terms and Conditions should be addressed to the Customer Support Department.

b) Customer Support Department

Email: support@mgmc-belize.com

Telephone: +501.2236910

**13. ADDITIONAL CONTACTS**

a) Dealing Department

Email: dealing@mgmc-belize.com

Telephone: +501.2236910

b) Compliance Department

Email: compliance@mgmc-belize.com

Telephone: +501.2236910

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[Signature]  
MGMC

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[Signature]  
Client

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[Signature]  
Witnessed by:

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