



PERFORMANCE FOREX, GmbH

General Guidelines and Trading Regulations (For Internet system trading)

TRADING HOURS

- The Trading hours for the system begins at Monday, 0030hrs and ends at Friday 2100hrs (System Time).
- There will be no trading from Friday, 2100hrs to Monday 0030hrs.
- Clients will be informed in advance of changes in operating hours due to holidays and special system maintenance requirements.
- System time will be automatically adjusted to daylight saving for autumn and winter season.

MARGIN REQUIREMENTS

Foreign Currency	Quotation	Contract Size
EUROS	EUR/USD	100,000 EUR
SWISS FRANCS	USD/CHF	100,000 USD
BRITISH POUNDS	GBP/USD	100,000 GBP
JAPANESE YEN	USD/YEN	100,000 USD
AUSTRALIAN DOLLAR	AUD/USD	100,000 AUD
EURO/ JAPANESE YEN	EUR/JPY	100,000 EUR
EURO/ BRITISH POUND	EUR/GBP	100,000 EUR
EURO/ SWISS FRANCS	EUR/CHF	100,000 EUR
BRITISH POUND/ JAPANESE YEN	GBP/JPY	100,000 GBP
CANADIAN DOLLAR	USD/CAD	100,000 USD
NEW ZEALAND DOLLAR	NZD/USD	100,000 NZD
AUSTRALIAN DOLLAR/ JAPANESE YEN	AUD/JPY	100,000 AUD

- Necessary Margin is the initial USD margin amount that is required to be in an account to cover all of a Client's open trading positions.
- The Necessary Margin for all the currencies in the trading system is **USD 1,000.00** per lot for Day trade and **USD 2,000.00** per lot for Overnight trade.
- Margin requirements are subject to change, and shall apply to all new and existing positions.

Day Trade **0100hrs to 2100hrs System Time**
Night Trade **2100hrs to 0100hrs System Time**

INTEREST FEES/ PREMIUMS

Interest fees or premiums are calculated automatically at 2100hrs (System Time) once a day when a trade position is left opened through the start of night trade hours. It varies differently for different currencies and the rates can be found in the trading system under the Currency Reference Rate window. Once a position is left opened after 2100hrs (System Time), interest fees will be automatically calculated.

For example, if a position is opened at 1700hrs (System Time) and is closed at 2000hrs (System Time), no interest/ storage will be charged. Another example, if a position was left opened at 2100hrs (System Time) and is closed at 0800hrs (System), Interest/ storage will be charged. There will be a 3 day interest/ storage charge for positions left open after 2100hrs Friday.

CALL MARGIN

- a. Call margin 1 (MC 1) is incurred once the equity falls below 70% of the used margin when night trade starts (2100hrs System Time). Clients are required to deposit margin to the level of overnight used margin. The account's ability to establish new positions will be disabled and all open positions must be liquidated unless sufficient margin has been deposited into the account within the stipulated time. Limit orders placed for open positions will not be executed.
- b. Even if the market turns in favor of the account after an account goes into a Call Margin status, the demanded amount for Call Margin must still be deposited into the account.
- c. A stop loss/limit order must be placed to avoid the equity from falling below 30% of the used margin at all times. If no stop orders were placed, the system will auto-lock (hedged) the open positions once equity falls below 30% of the used margin (Margin Call 2). Clients are required to deposit margin to the level of used margin based on the margin requirement when the account is on call margin. Limit orders placed will not be executed unless sufficient margin is deposited. If no sufficient margin is deposited before the stipulated time, all auto-lock (hedged) will be closed by the system.
- d. The Client will be solely liable for any additional margin that was required to be deposited into his/hers/its account with Performance Forex, Inc. PFI reserve the rights to close all the open position(s) of the account automatically if the additional margin is not received by the stipulated time. Call Margin applies to both Day and Night Trade.

SHORT MARGIN

Short Margin (SM) occurs when the necessary/ used margin is more than the balance of the account. Clients should be aware of their available trading margin for Day and Night Trade at all times and should refrain from over-trading on their account. Upon Short Margin occurs on the account, clients should immediately close one or more open positions to reduce the necessary/ used margin. If no sufficient action is performed, system will automatically close all open positions at the end of the trading day (2100hrs System Time). If Short Margin had occurred after 2100hrs (System Time), system will automatically close all open positions at 0100hrs (System Time).

HEDGING

Hedging Margin per pair (1 open buy and 1 open sell of the same currency) requires 50% of the necessary margin.

Day Hedge Trade: 1000 (per pair)

Night Hedge Trade: 2000 (per pair)

LIMIT/STOP ORDERS

- a. Placing of limit or stop orders can be done anytime and must be at least **30** points away from the market price. An order will be considered good even through market holidays and non-operating hours unless it was cancelled.
- b. An order that was placed initially to liquidate an open position that was closed manually before it hits the placed price will not be filled. All Limit or Stop orders that were not filled or cancelled are only good for up to 30 days.

ORDER EXECUTION

- a. The normal bid/ask spread quoted may vary in times of exceptional or volatile market conditions.
- b. Orders are accepted through the Internet.
- c. Trading by telephoning the dealing desk of Performance Forex Inc are only accepted in the event an Internet order is not practical or possible due to a technical fault, communication breakdown etc. (Telephone number of dealing desk may be given). You are to note that:
 - i. If the system failure is on the client's end, the dealer will execute the trades as per verbal instructions of the client on liquidation; hedging and placement of stop and limit orders.
 - ii. If the failure is on the mainframe of our system, liquidation and stop loss orders will be taken manually and adjustments will be made once the system is back on.
 - iii. Dealing code is given together with Login ID and Passwords when the account is opened. The Dealers at the Dealing Desk reserve the rights to refuse execution of client's order on their behalf should the dealing code when prompt by the Dealer is not given.
- d. All trading orders placed/done through the Dealing Desk are recorded by telephoning devices. All conversations concerning price quotes requests, order execution and confirmations, are recorded to ensure fairness and accuracy for all parties involved in the delivery and execution of a trading order, and at Performance Foreign Inc' discretion it may be kept for up to 2 weeks.
- e. Orders that are placed through the Dealing Desk will be deemed fair, undisputed and accurate unless the Client disputes within 48 hrs of the trade being executed.

- f. An order placed or executed through the Internet will be prompted by the system if it was confirmed or unsuccessful. If confirmed, its terms are final and the obligation of the Client is established.
- g. It's at the sole discretion of Performance Forex Inc to make any adjustments or corrections in terms of dispute involving the execution and placing of orders, either by trading from the Internet or by telephoning the Dealing Desk.
- h. Trading on an electronic trading system may engage risks associated with communication failures, delayed quotes, error quotes, including the failure of hardware and software. The result of any system failure may be that the order is not executed according to your instructions or is not executed at all.
- i. Should quoting errors result in a mistype, such as but not limited to a wrong big figure quote, Performance Forex, Inc will not be liable for the errors resulting in the account balances and Performance Forex, Inc reserves the right to make necessary changes and/or adjustments on the accounts involved.

COMMISSIONS & OTHER CHARGES

- a. The Client shall pay commissions and other charges to the Company or its brokers, agents and representatives in connection with transactions conducted on behalf of and services rendered to the Client for the Account at such rate as the Company may from time to time have notified the Client or otherwise prescribed by the Company as being the rate or rates applicable to the Account.
- b. Commissions are charged upon open trade.
- c. Before beginning to trade, Client should obtain a clear explanation on commissions, storage fees, interest rate/ premiums and other charges for which he or she will be liable.

NON RESTRICTION

These Trading Rules and Regulations are promulgated to govern the trading relationship between the Client and the Company, but shall not in any manner limit or restrict any or all rights, which the company may have under any contracts or agreement between the Client and the Company. PFI reserves the right to alter, amend or modify these Trading Rules and Regulations without notice to the client.

ACKNOWLEDGEMENT

I/We hereby declare that the foregoing Rules and Regulations together with the terms and conditions of the Trading Facility Letter/ Agreement have been fully understood and I do hereby agree with them.

Date:

1. Signature : _____ 2. Signature : _____

Name : _____ Name : _____

3. Signature : _____ 4. Signature : _____

Name : _____ Name : _____