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# PAMM ACCOUNT TERMS

**TENKO'FX**  
forex trading services

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## 1. RECITALS

1.1. TenkoFX Limited (hereinafter referred to as "TenkoFX" or the "Company") is a limited liability company incorporated in Belize with its registered address at 55 Southern Foreshore, Belize City, Belize, C.A. TenkoFX operates under the license number IFSC/60/349/TS/15.

1.2. These Terms, together with the Client Agreement, include all the provisions and conditions in relation to the operation of the PAMM Account service. Each Client or potential Client who is willing to become an Investor or a Manager must read and fully understand all of these documents before proceeding to access this service.

1.3. It is acknowledged that the registration of the Client as a Manager or an Investor shall imply acceptance of this Terms by the Client. Therefore, by registering as a Manager or an Investor the Client enters into a binding legal agreement with the Company.

1.4. It is further acknowledged that the PAMM Account service is not an asset management tool for Investors. This service is designed to provide an opportunity for Investors to follow trading strategies of the Manager of a particular PAMM Account at Investor's risk. The Investor voluntarily, at their risk, selects the Manager pursuant to a public Offer. All decisions of acceptance or rejection of the Offer are a personal matter for each potential Investor and are made without any recommendation /solicitation by the Company.

## 2. GLOSSARY OF TERMS

2.1. Unless indicated to the contrary, the following terms included in the Client Agreement shall have a specific meaning and may be used in the singular or plural as appropriate.

a. **Investor** means a Client maintaining one or more Investment Accounts.

b. **Manager** means a Client who manages one or more PAMM Accounts.

c. **Manager's Capital** means the funds forming a part of the PAMM Account deposited and managed by the Manager alongside with the funds posted by the Investors to the Investment Accounts within the PAMM Account.

d. **Manager's Offer** shall mean a set of parameters representing commercial terms offered by a Manager to potential Investors.

e. **Investment Account** shall mean a Client account where trading operations are performed exclusively by a Manager in accordance with the terms and conditions set out herein.

f. **Investment Account Equity (Equity)** shall mean a parameter describing a current value of the Investment Account calculated in accordance with clause 7.2 hereof.

g. **Minimum Balance** shall mean a Manager's Offer parameter setting out a minimum acceptable balance of the Investment Account.

h. **Minimum Investment Amount** shall mean a parameter of a Manager's Offer setting out an amount of a minimum initial deposit to a new Investment Account.

i. **Minimum Top-Up Amount** shall mean a parameter of a Manager's Offer setting out an amount of a minimum acceptable additional deposit to a Investment Account.

j. **PAMM Account** shall mean an account managed by the Manager under the terms of the Manager's Offer comprising Investment Accounts of all Investors who accepted that Manager's Offer.

k. **Rollover** shall mean a regular event commencing in accordance with the Terms which is used for gathering statistics and updating information on the PAMM Account and Investment Accounts, calculating and paying remuneration to the Manager and completing deposit and withdrawal requests.

l. **Terms** shall mean these PAMM Account Terms.

m. **Trading Interval** shall mean one calendar month.

Other terms not specifically defined herein shall have the meaning assigned to them in the Client Agreement.

### **3. PAMM ACCOUNT**

3.1. PAMM Account service is designed to allow the Investors to put their Investment Accounts under the control of the Manager to make transactions in CFDs in Investors' interests. The PAMM Account is intended to combine multiple Investors' Investment Accounts into a single trading account to be managed.

3.2. All trading on an Investment Account is performed by a Manager. Consequently, Investor is not allowed to file complaints addressed to the Company in relation to trading operations on an Investment Account.

3.3. Manager cannot dispose the funds deposited on the Investment Account other than set out herein. In particular, no Manager is authorised to transmit the funds from Investor's Investment Account to a personal account of the Manager, except when the Company remits the fees payable to the Manager in accordance with Manager's Offer.

3.4. Each Manager is obliged to become an investor in relation to the PAMM Account managed by that Manager in order to secure pursuing best interests of its Investors. Manager's Capital is to be contributed simultaneously with setting up of each new PAMM Account. The money contributed as the Manager's Capital won't be refunded to the Manager during the lifetime of the PAMM Account; Manager is only entitled to the current balance of the Manager's Capital upon liquidation of the PAMM Account.

### **4. MANAGER'S OFFER**

4.1. A Manager shall inform the Investors of the terms of each PAMM Account by making available the relevant Manager's Offer. Manager's Offer contains a number of parameters on the basis of which the Company calculates the fee payable to the Manager and determines other conditions applicable to a particular PAMM Account.

4.2. Acceptance by an Investor of Manager's Offer won't bind such Investor vis-à-vis the Manager. Acceptance of Manager's Offer by the Investor indicates to the Company willingness of the Investor to follow trading strategy of a particular PAMM Account, allow automatic execution of transactions entered by the Manager on the PAMM Account using the funds deposited by the Investor to the Investment Account, authorize the Company to calculate the fee payable to the Manager and debit Investment Account accordingly.

4.3. The terms applicable to activation of Manager's Offer are available at the Company's web-site.

## **5. INVESTOR'S FUNDS**

5.1. Investor shall employ the functionality of Tenko'Desk in order to deposit the funds to or withdraw the funds from an Investment Account. Any amount deposited to the Investment Account will be debited from the Money Box of the Investor, any amount withdrawn from the Investment Account will be credited to the Money Box of the Investor clear of any charges payable to the Manager in accordance with the terms set out in the Manager's Offer. Any such investor's instruction is irrevocable.

5.2. In case the currency of an Investment Account is different from the currency of deposit the Company performs a currency conversion at the internal rate of the Company. The funds withdrawn from the Investment Account will be credited to the Investor's Money Box in currency of the Investment Account.

5.3. Investor's instruction to post the funds to or withdraw the funds from the Investment Account is executed in course of the Rollover immediately following receipt by the Company of the Investor's instruction.

5.4. In instructing the Company to withdraw the funds from the Investment Account Investor has to ensure that the remaining Balance of the Investment Account complies with the Minimum Balance parameter set out in the Manager's Offer. Otherwise the Company is entitled to reject such instruction.

5.5. In order to withdraw the balance of the Investment Account in full Investor is required to liquidate the Investment Account.

## **6. ROLLOVER**

6.1. Rollover is an automated investment withdrawal processing mechanism that runs at a specified time (server time) on the basis of rollover schedule set up by the PAMM manager. Each Rollover can take a few minutes to be completed. It is acknowledged however that due to a technical error a particular Rollover may not occur.

6.2. Rollover is used for gathering statistics and updating information on the PAMM Account and Investment Accounts, calculating and paying remuneration to the Manager and completing deposit and withdrawal requests.

## **7. CALCULATIONS AND TRANSFERS**

7.1. Each deposit shall be counted towards the Balance of the Investment Account and each withdrawal decreases the Balance accordingly. At the end of each Trading Interval and following payment of fees Investment Account Balance becomes equal to the Investment Account Equity.

7.2. Investment Account Equity shall be calculated as follows:

- a. any profit or loss resulting from any Open Position shall increase or decrease the Equity accordingly;
- b. payment of fee to the Manager decreases the Equity accordingly;
- c. each deposit of funds to the Investment Account counts towards the Equity;
- d. in case the Equity exceeds or is equal to the Balance, each withdrawal of funds decreases the Equity;
- e. in case the Equity is less than the Balance, each withdrawal of funds decreases the Equity pro rata Balance decrease.

7.3. A fee payable to the Manager shall be calculated and shall be payable as a percentage set out in the Manager's Offer of a positive difference (if any) between Investment Account Equity and Investment Account Balance in the end of each Trading Interval, unless the Investment Account or the PAMM Account is liquidated or the Investment Account is transferred to another Manager's Offer before the end of the Trading Interval, in which case the fee is calculated and becomes payable on such date.

## **8. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS**

8.1. In addition to the warranties, representations and undertakings provided and assumed by the Investor and the Manager in accordance with the Client Agreement each Investor and each Manager further warrants, represents and undertakes that:

- a. he or she has fully read and understood the contents of these Terms and agrees to comply with them;
- b. his or her activities in relation to each PAMM Account and each Investment Account are carried out in compliance with any applicable law;
- c. he or she will make the Company aware of any claim or complaints that he/she may have in relation to PAMM Account service in accordance with dispute resolution provisions of the Client Agreement.

8.2. Manager further warrants, represents and undertakes that:

- a. he/she will conduct trading operations in pursuance of the best interests of Investors;
- b. he/she will help the Company to the extent required in settlement of any claim or complaint received from any Investor;
- c. he/she will not act as he/she is affiliated or is acting in concert with the Company, in particular, it is prohibited to use Company's logo in any documents of the Manager.

8.3. Manager shall indemnify and hold the Company harmless for any costs and losses suffered by the Company in connection with management by the Manager of the PAMM Account and claims of Investors. The Company shall be entitled to charge the indemnity compensation from any account (including but not limited to the Money Box) held by the Manager with the Company, in which case the Company will notify the Manager accordingly. In case any dispute arises the Company shall be entitled to block any and all funds on the accounts of the Manager until the dispute is finally settled.

## 9. PAMM ACCOUNT LIQUIDATION

9.1. Liquidation of the PAMM Account leads to liquidation of all Investment Accounts within that PAMM Account. In case of PAMM Account liquidation all Open Positions on that account shall be closed at current prices and all Pending Orders shall be cancelled.

9.2. Manager is entitled to initiate PAMM Account liquidation by instructing the Company accordingly via Tenko'Desk, in which case the PAMM Account will be liquidated. The Company shall be entitled to liquidate any PAMM Account at its discretion where PAMM Account constantly shows a negative rate or return or where no trading activity is taking place for more than 3 consecutive months.

9.3. As soon as the liquidation of the PAMM Account takes place TenkoFX informs its Manager and Investors via TenkoDesk accordingly.

## 10. STATEMENT OF RISKS

10.1. Each Investor shall be aware of the following risks pertaining to the PAMM Account service (for the avoidance of doubt, in addition to the other risks set out in the Risk Disclosure Statement) that may lead to significant losses up to whole amount invested to the Investment Account:

a. the Company is unable to do a comprehensive verification of experience and professionalism of Managers and therefore a Manager may not have sufficient skills and expertise to manage the PAMM Account;

b. a Manager may breach its obligation to manage the PAMM Account in the best interest of Investors, of which the Company may be not aware, and consequently the money posted to the Investment Account can be lost;

c. money invested to the Investment Account can be lost due to unauthorized access to the PAMM Account e.g. in case the Manager fails to keep secrecy of his or her Identification Details and therefore an unauthorized person may access the PAMM Account;

d. any PAMM Account can be liquidated at any time without any prior notice;

e. past performance of any PAMM Account is not a useful indicator of its performance in future.



10.2. Manager acknowledges that in case the Company reasonably believes that the Manager acted in breach of the terms and conditions hereof the Company shall be entitled (but shall be under no obligation) at the sole discretion of the Company to use any money posted by the Manager to the Company in order to satisfy the claims of the Investors who invested their money to that Manager's PAMM Account.

10.3. The list of risks set out in this section is not (and is not meant to be) exhaustive and all-inclusive. Each Manager shall take an informed decision to manage a PAMM Account prior to registering a PAMM Account. Each Investor shall consider all relevant risks prior to investing any money to the Investment Account and obtain a professional advice, if necessary.

## **11. MISCELLANEOUS**

11.1. These Terms shall supplement the Client Agreement concluded by the Company with any Manager and Investor. In case something is not expressly regulated in these Terms the parties shall follow the relevant provisions of the Client Agreement.

11.2. If for the avoidance of doubt, the indemnity, limit of liability, dispute resolution, service of notices and all other provisions of the Client Agreement do apply to the relationships of the Company and its Client acting in a capacity of the Investor or the Manager hereunder.

11.3. These Terms shall be governed by and construed in accordance with the substantive law of England and Wales, save for the rules of law and any secondary legislation relating to provision of investment and ancillary services which shall not apply. The parties hereby agree to submit any dispute arising out or in connection with these Terms to an exclusive jurisdiction of courts of Belize.

11.4. If, for any reason, any provision of these Terms appears to be invalid or unenforceable in a court of a competent jurisdiction then such part shall be severed from these Terms and the remainder of the Terms shall remain unaffected.