



## **Regulations of the PAMM-accounts service provision**

## 1. GENERAL PROVISIONS

- 1.1. The present regulations describe the conditions of Percent Allocation Management Module (further referred to as PAMM-accounts) service provision to clients of Master Services Inc.
- 1.2. The Company acts as the provider of PAMM-accounts service by processing client's (PAMM-manager's) orders to conduct trading operations with financial instruments on international financial markets
- 1.3. The manager and the investor are clients of the Company.
- 1.4. Within the framework of the PAMM-accounts service no discretionary management of investors' funds is provided.
- 1.5. A manager acts as investor's agent in respect of the investor's account.
- 1.6. As a manager conducts trades in a PAMM-account, results of all trading operations are copied to accounts of investors in a volume, which is proportional to share part of each investor in the PAMM-account's total balance.
- 1.7. A PAMM-account's balance is comprised of funds contained on investment accounts engaged with this PAMM-account.
- 1.8. For an investor the present regulations come into force once investment account is created.
- 1.9. For a manager the present regulations come into force once PAMM-account is created and the manager's offers is published.
- 1.10. Any operations carried out with use of the manager's username and/or passwords are considered to be carried out by the manager himself.
- 1.11. Any operations carried out with use of the investor's username and/or passwords are considered to be carried out by the investor himself.
- 1.12. The present regulations are essential part of the Client agreement.
- 1.13. All provisions of the Client Agreement not contradicting provisions of the present Regulations are applied to managers and investors.
- 1.14. The same quotes provision mechanism is used for trading operations conduction as used for accounts of Standard type. Trading operation execution method is identical to the one of Standard accounts and is specified in the Forex Technical Regulations. The set of trading instruments available for trading is the same as for accounts of the Standard type.

## 2. MANAGER'S FUNDS

- 2.1. Involvement of manager's own funds into a PAMM-account under his control is obligatory.
- 2.2. Minimum amount that a manager should invest to a PAMM-account he manages is 500 (five hundred) USD.
- 2.3. Maximum amount that the manager should invest to the PAMM-account he manages is unlimited.
- 2.4. Once a manager's registration request is approved, the manager's PAMM-account is created.
- 2.5. In case residual amount of a manager's own funds falls below \$500, withdrawal of the manager's own funds from his PAMM-account will be possible only upon condition of the PAMM-account closure.  
In case a manager withdraws funds, so amount of his own funds in the PAMM-account falls below the minimum value of the manager's own funds in PAMM-account, then such withdrawal operation leads to automatic closure of the PAMM-account.

### 3. MANAGER'S OFFER

3.1. The offer is a manager's proposal for investors to engage their investment accounts with a PAMM-account under the manager's control.

3.2. The Offer contains conditions regarding investment accounts engagement with a PAMM-account.

3.3. The list of available offers is located on the Master Services Inc. website and in the personal cabinet of trader.

### 4. SETTLEMENT PERIOD

4.1. Settlement period starts in the moment a manager creates a PAMM-account or on a date the manager specified during PAMM-account creation procedure.

4.2. Settlement period duration is defined by a manager within the PAMM-account creation procedure and might be changed by the manager via the personal cabinet. Minimum term of the Settlement period is 1 day.

4.3. In the end of every settlement period the PAMM-account management results are summarized. All positions remaining opened on PAMM-account by this moment are closed automatically. Manager's remuneration is paid in accordance with offer of the PAMM-account's manager. Investors engagement, disengagement or PAMM-account service prolongation take place.

### 5. DEPOSIT/WITHDRAWAL OF FUNDS

5.1. Depositing/withdrawing of funds to/from PAMM-accounts is carried out using the client's personal cabinet upon completion of a settlement period.

5.2. In case depositing/withdrawal to/from a PAMM-account is carried out in terms of any currency but the PAMM-account's currency, currency exchange operation is carried out automatically. In case currency exchange is necessary, the company charges exchange commission of 1%.

5.3. In case an investor withdraws funds from a PAMM-account, which makes this investor's share in the PAMM-account fall below a minimum required investment account specified in the manager's offer, such investor is disengaged from the PAMM-account.

5.4. As an investor decides to disconnect from a PAMM-account residual investment amount of the investor in the PAMM-account (if available) is transferred automatically to the investor's personal MF wallet.

### 6. SETTLEMENT

6.1. Manager's remuneration amount is defined by the manager as percentage of the PAMM-account's profit.

6.2. Manager's remuneration calculation is carried out using the following formula:

Master's reward = % \* (Profit&Loss n + Profit&Loss n-1)

Being:

Master's reward – commission paid to a manager;

% - percentage of a PAMM-account's profit defined by a manager (defined in a manager's offer);

Profit&Loss n – total financial result of trading operations carried out on a PAMM-account within an accounting period;

Profit&Loss n-1 – total financial result of closed trading operations carried out on a PAMM-account within a period following the last accounting period a manager was paid remuneration for, and preceding the last accounting period. In case remuneration has not ever been paid, then a period from a moment an investor engaged with a PAMM-account till the moment the last accounting period started is taken into consideration.

6.3. Remuneration is credited to a manager's personal MF wallet upon completion of every accounting period.

6.4. In case upon completion of an accounting period it's revealed that PAMM-account's profit does not exceed zero, manager's remuneration is not paid.

6.5. As an investor engages with a PAMM-account and as additional investment is carried out the investment commission is deducted from the investor's personal MF wallet. The investment commission size is defined by a manager, is specified in the manager's offer and is defined as being a percentage part of an amount invested to a PAMM-account.

6.6. All calculations and payments are carried out to an approximation of 1 cent (two decimal signs).

6.7. In case a manager or an investor violates provisions of the Client agreement, the Company has the right to reconsider its financial obligations in regards to the PAMM-account with respective corrections being introduced to the PAMM-account's trading operations registry.

## **7. RIGHT AND OBLIGATIONS OF A MANAGER**

7.1. A manager has exclusive right to carry out trading operations in his PAMM-account.

7.2. A PAMM-manager has the right to get remuneration in an amount defined in the offer, in case he fulfils his duties properly and the PAMM-account is profitable.

7.3. Only a manager has the right to lodge claims of predefined form concerning improper execution of trading operations on the PAMM-account he manages.

7.4. A manager assures that he will not violate legislation of his country of residence.

7.5. A manager assures that he will not violate terms of the Client agreement.

7.6. A manager commits to provide the following information:

- Name to identify him as the manager;
- his trading background description;
- specification of a trading strategy used to carry out trading operations on the PAMM-account.

7.7. In case a manager violates provisions of the Client agreement or fails to fulfill any other obligations committed within the frame of the PAMM-account service, the manager commits to handle any consequences of such violations at his own expense.

7.8. A manager assumes commitment to be exclusively responsible for results and consequences of usernames and/or passwords usage when working with the Company.

## **8. MANAGER'S RIGHTS RESTRICTIONS**

8.1. A manager shall not assume any commitments on behalf of the Company or lay the Company under any obligations.

8.2. A manager shall not perform any acts that can potentially cause damage to the Company's reputation.

8.3. Under no circumstances a manager has the right to carry out financial transactions in regards to funds of investors contained in the PAMM-account he manages.

8.4. A manager shall not set a minimum investment amount required for engaging the PAMM-account at a lower level than 100 (one hundred) USD.

## **9. RIGHTS AND OBLIGATIONS OF AN INVESTOR**

9.1. Depositing/withdrawing of funds to/from a PAMM-account is exclusive right of an investor.

9.2. An investor has the right to gain profit from a PAMM-account managed by a manager, in case the manager achieves positive profit in this account.

9.3. As long as an investor fulfils his obligations he has the right to gain profit from the PAMM-account service.

9.4. An investor has the right to inform a PAMM-manager of a claim regarding improper execution of any trading operations carried out in the PAMM-account. A manager should submit claims to the Company by contacting the Client support department.

9.5. An investor commits not to violate legislation of his country of residence.

9.6. An investor assures he will not violate terms of the Client agreement.

9.7. An investor assumes commitment to invest a minimum required amount to his investment account in order to engage it with a manager's PAMM-account.

9.8. In case an investor violates provisions of the Client agreement or fails to fulfill any other obligations committed within the frame of the PAMM-account service, the investor assumes commitment to handle any consequences of such violations at his own expense.

9.9. An investor assumes commitment to be exclusively responsible for results and consequences of username and/or passwords usage when working with the Company.

## **10. INVESTOR'S RIGHTS RESTRICTION**

10.1. An investor shall not assume any commitments on behalf of the Company or lay the Company under any obligations.

10.2. An Investor shall not perform any acts that can potentially cause damage to the Company's reputation.

10.3. Under no circumstances an investor has the right to carry out trading operations in the PAMM-account.

## **11. PAMM-ACCOUNT CLOSURE**

11.1. PAMM-account closure leads to return of investment amounts to personal MF wallet of investors taking into account results of trading in the PAMM-account and with deduction of all required commissions and remunerations.

11.2. PAMM-account closure request may be submitted by a manager via his personal cabinet.

11.3. Obligatory condition is that no open trading positions shall be present in such PAMM-account at the moment of closure.

11.4. The Company has the right to close a PAMM-account at its sole discretion.

11.5. In case a PAMM-account is closed on the initiative of the Company, all currently open positions are to be closed compulsorily at current market prices.

## 12. RISK AND GUARANTEES

- 12.1. An investor is exclusively responsible for making the decision to open an investment account in particular and to use the PAMM-account service in general.
- 12.2. The Company does not guarantee any profit to an investor.
- 12.3. Information concerning a manager's profit rate over any periods in the past does not guarantee profit in the future.
- 12.4. an investor assumes risks connected with a PAMM-account manager's incompetence.
- 12.5. An investor assumes risks connected with a manager's potentially possible unfair practices, as well as with any potentially possible fraud committed by the manager.
- 12.6. An investor accepts that he might sustain loss proportionally with his share part in a PAMM-account, in case amount of funds in the account is reconsidered due to a fact of violation of the Client agreement by the account's manager.
- 12.7. An investor accepts risks connected with any technical problems the manager might face in the course of managing funds on the PAMM-account.
- 12.8. An investor assumes risks connected with potential access of any third parties to the PAMM-account management.
- 12.9. An investor accepts risks that may occur, in case a necessary claim concerning trading operations carried out in international financial markets is not submitted to the Company or is submitted incorrectly.
- 12.10. An investor assumes risks connected with a PAMM-account closure.
- 12.11. An investor agrees not to submit any claims to the Company, in case such claims concern financial results caused by any actions of a manager.
- 12.12. The Company is not responsible for financial or any other results of a manager's trading activities carried out in a PAMM-account.
- 12.13. An investor accepts the risk of financial loss that might occur within the frame of the PAMM-account service.