

TERMS AND CONDITIONS

1. Introduction

1.1. Beltcastle-FX is the internet trading name of Beltcastle Ltd ("BFX") of 42 Braganza Street, London, SE17 3RJ, provides facilities for the purchase or sale of currencies for both personal use and use in connection with a trade or business or for other commercial purposes.

1.2. The recipient of these Terms of Business (the "Client") wishes to enter into contracts for the purchase, sale and physical delivery of currency with BFX for personal use, business or other commercial purposes and has agreed with BFX that all transactions shall be carried out on these terms and conditions (the "Terms").

2. BFX's Services

2.1. The services BFX may provide to the Client under these Terms are limited to dealing and entering into contracts with its Clients for the sale and purchase of currency ("Contracts"). Such services will typically include (but are not limited to):

(a) "Forward Contracts", where currency is bought and/or sold for delivery at a fixed time in the future

(b) "Forward Time Option Contracts", where currency is bought and/or sold for delivery within a period instructed by the Client or at the end of that period (if no instructions are received from the Client in the meantime);

(c) "Limit and/or Stop Loss Orders", where currency is bought and/or sold for delivery when an agreed exchange rate is available and/or protecting against adverse market movements; and

(d) "Spot Orders", where currency is bought and/or sold for delivery immediately upon receipt of payment.

BFX shall, unless otherwise agreed, contract as principal with the Client for delivery of the currency in question and deal with the Client on an execution only basis. In entering into Contracts, the Client shall rely solely on its own judgement and, whilst BFX may provide

information to the Client from time to time, it will not provide advice to the Client upon the merits of a proposed currency transaction or provide taxation or other advice to the client. BFX contracts with clients for the physical delivery of currencies only.

2.2. Where BFX agrees to enter into Contracts with the Client which provide for delivery of currency the Client undertakes to take physical delivery of and pay for the currency in question on or before the date specified in the relevant Contract documentation (the "Value Date"), or in the event that further funds are called for by BFX, to pay those funds at such time or times as BFX may require to fulfil the Contract.

2.3 Please note that foreign currency exchange rates are subject to fluctuations outside the control of BFX or the Broker. Any historical trend of movement in foreign currency exchange rates should not be taken as an indicator of future movement in such exchange rates.

3. Introductions and Placing Orders

3.1. The Client may give BFX an oral or written instruction relating to a transaction for the purchase or sale and delivery of currency (an "Order"). BFX shall be entitled to act upon the Orders placed by the Client or any person or entity authorised or nominated by the Client (an "Authorised Party"). In the case of an oral Order BFX will confirm the Order by fax and/or electronically (or by post if either of these methods are not possible) to the Client and such confirmation shall be deemed to be acceptance of the Order. Once BFX confirms an Order in this way there is a binding contract between the Client and BFX to execute the Order.

3.2. Once an Order has been given by or on behalf of the Client in accordance with paragraph 3.1 above and confirmed verbally or in writing by BFX it cannot be rescinded, withdrawn or amended without BFX's express consent in writing.

3.3 BFX may (but shall not be obliged to) require confirmation (in such form as BFX may specify from time to time) from

the Client or Authorised Party of any Order if:

(a) BFX considers that such confirmation is desirable or that an Order is ambiguous; or

(b) the Order is to close the Client's account or to remit the Client's funds to a third party.

4. CANCELLATION

4.1 **The Client does not have any right under the Financial Services (Distance Marketing) Regulations 2004 to cancel any Order.**

5. Payment

5.1. The Client shall make payment in cleared funds to the value of the currency to be sold by the Client (the "Sale Currency") into an account held at a bank designated by BFX in the name of BFX and designated as a Transaction Account in order to secure payment.

5.2. Payments made other than by telegraphic transfer will incur delays in clearing of such payments. Payments made in cash inevitably result in increased administration due to money laundering compliance requirements and as a result attract a charge of £100. BFX reserves the right to refuse cash payments. They may also result in transactions being frustrated due to delay.

5.3. The Client shall pay any outstanding amount of the Sale Currency into the Transaction Account in cleared funds prior to the Value Date. Failure to do so shall relieve BFX of any obligation to settle any Contract or to pay to the Client, or to the Client's order, any amount in respect of the relevant Contract.

5.4. BFX may seek confirmation from the bank where the Transaction Account is held or from any broker or dealer with or through whom BFX executes currency transactions (the "Broker") that the full amount of Sale and/or Buy Currency due under a Contract has in fact been received before proceeding with any payments under that Contract.

Beltcastle-FX
Unit 3, 42 Braganza Street
London SE17 3RJ
United Kingdom
Tel: +44 (0)20 7820 0050
+44 (0)5600 767 618
Fax: +44 (0)20 7793 1153
info@beltcastle-fx.com
www.beltcastle-fx.com

5.5. All payments due from the Client to BFX under these Terms shall be made in full without any set-off, counter-claim, deduction or withholding of any kind. BFX may deduct from any payment to be made to the Client such amounts as BFX may be required to deduct in respect of taxation liabilities or as may be charged to BFX by the Broker or other third parties in respect of transfer charges or other fees or costs.

5.6. The Client understands and agrees that BFX may require a deposit from the Client to validate any contract made.

6. Contract Records

6.1. Each Contract will be evidenced by a document confirming and recording execution of a Contract between BFX and the Client (a "Contract Record"). BFX will send, each Contract Record to the Client as soon as possible after execution. The failure of BFX to send a Contract Note will not prejudice the rights and obligations of either party under a Contract.

7. Charges

7.1 Save as set out below and in clauses 5.2, 8.3 and 10.4 BFX does not levy any charges, fees or

commissions for the purchase or sale of foreign currency under properly executed Contracts in accordance with these Terms. The Client acknowledges that the exchange rate BFX offers the Client under a Contract will not be the same as the one BFX obtains for itself. BFX derives a profit from the difference between these two exchange rates.

7.2 The following charges will be incurred by the Client (payable in advance) for the following methods of confirmation and/or transfer of funds:

7.2.1 Irrevocable Payment Document (IPD) - £12 per payment;

7.2.2 Telegraphic Transfers (TT) - £15 per payment; and



7.2.3 International Cheques - £20 per payment

7.3 If an Order is cancelled BFX shall be entitled to charge a reasonable cancellation fee to cover its costs and losses. BFX may at its absolute discretion refuse to execute any Order given by the Client or Authorised Party without giving any reason or being liable for any loss the Client suffers as a result of such refusal.

8. Disputes and Interest

8.1. If at any time a dispute arises between BFX and the Client relating to the existence of a Contract or the terms of any Contract (a "Disputed Contract"), BFX may take any action it reasonably deems necessary or appropriate in the circumstances in order to close out the Disputed Contract or otherwise reserve the position of the parties under the Disputed Contract pending settlement of the dispute. Such action may include refusing to perform the Disputed Contract. BFX will try to notify the Client (orally or in writing) as soon as is practically possible of any action it has taken but if it can not do so any action taken in this way shall remain valid.

8.2. The liability of the party found to be at fault in respect of any Disputed Contract shall not exceed the amount of direct loss incurred in connection with such contract (such as administration costs, third party costs and exchange rate losses) plus interest. Reference shall be made to any available electronic messages, recordings or transcripts of recordings of telephone conversations between the parties to resolve disputes between the parties.

8.3. If the Client fails for any reason to make any payment to BFX by the date upon which it falls due (an "Overdue Payment"), then BFX shall be entitled to recover its losses by claiming the sums set out in these Terms and charging interest on any such Overdue Payment at the rate set out in clause 8.3.1 below from the time at which it fell due until it is paid in full and for each day or part of a day that it remains unpaid.;

8.3.1. The interest payable on the Overdue Payment shall be calculated by applying a rate of 3% above the Bank of England's annual base rate from time to time (or such monetary authority as may replace it). Such interest shall accrue and be calculated daily from the date the payment was due until the date the Client pays in full any Overdue Payment.

8.3.2. BFX reserves the right, where applicable, to claim interest under the Late Payment of Commercial Debts (Interest) Act 1998. This right does not apply where the Client is an individual consumer.

9. Representations

9.1. The Client represents to BFX that, both now and when each Contract is entered into and performed:

(a) the Client is acting as principal for its own account (and not as agent for or on behalf of any other third party) and has full power and authority and has taken all necessary steps to enable it lawfully to enter into and perform every Contract governed by these Terms;

(b) all sums paid by the Client to BFX under these Terms belong to the Client and are not subject to any charge or other security;

(c) all information supplied to BFX is, or at the time it is supplied to it will be, true and accurate in all material respects and the Client will not omit or withhold any information which would render the information so supplied false or inaccurate in any material respect;

(d) the Client will provide to BFX on request such information regarding its financial and business affairs and identity as BFX may reasonably require (including without prejudice to the foregoing, in relation to any obligations imposed on regulated investment businesses under the United Kingdom Money Laundering Regulations 1993);

(e) the Client is entering into these Terms in connection with its trade or line of business or for other commercial purposes and that the Client will take physical delivery of the currency in question under the contract.

10. Default

10.1. BFX shall have the right to refuse to perform or close out all or any part of any Contract at any time, without further liability to the Client for losses that may be sustained as a result if any of the following events occurring without giving prior notice to or obtaining further instructions from the Client if: (a) the Client shall fail to make any payment when due under these Terms; (b) the Client dies or becomes of unsound mind; (c) the Client suspends payment of its debts, makes any composition with its creditors, has a receiver appointed over some or all of its assets, takes or has any

proceeding taken against it in bankruptcy or (being a company) takes or suffers any steps to be taken for its winding up (other than for the purposes of amalgamation or reconstruction approved in writing by BFX), or any other similar or analogous event that occurs in the United Kingdom or elsewhere;

(d) the Client fails in any respect fully and promptly to comply with any obligations to BFX or through BFX to any clearing house or Broker or bank;

(e) it becomes or may become unlawful for BFX to maintain or give effect to all or any of the obligations under these Terms or otherwise to carry on its business or if BFX or the Client is requested to close out a Contract (or any part thereof) by any regulatory authority whether or not that request is legally binding;

(f) the Client fails to observe or perform in whole or in part any of the material provisions of these Terms or commits a material breach of the representations in clause 8;

(g) anything analogous to any of the events specified above occurs under the laws of any applicable jurisdiction; or

(h) BFX (acting reasonably) considers it necessary to do so for its own protection including but not limited to the following circumstances:

(i) protection from fraud; (ii) protection from client default; (iii) protection from market failures; (iv) protection from adverse or volatile market conditions of both BFX and the Client; and (v) protection from loss making activities to both BFX and the Client.

10.2. If the Client becomes aware of the occurrence of any event referred to in clause

10.1, it shall give BFX notice of such event forthwith.

10.3. After closing out a Contract for any reason BFX or the Broker will send with due despatch to the Client a settlement notice, showing the Client's profit or loss arising from the closing out.

10.4. In the event that any payment made by or on behalf of the Client is dishonoured, returned, not met on first presentation or stopped for whatever reason the Client shall pay BFX's reasonable administrative costs incurred in respect of each such event. Such costs will be a minimum of £50 in each event and will become

Beltcastle-FX
 Unit 3, 42 Braganza Street
 London SE17 3RJ
 United Kingdom
 Tel: +44 (0)20 7820 0050
 +44 (0)5600 767 618
 Fax: +44 (0)20 7793 1153
 info@beltcastle-fx.com
 www.beltcastle-fx.com

payable by the client in addition to any other sums due under these Terms.

10.5. BFX assumes no responsibility whatsoever for any delay in payment under these Terms caused by the Client or any other third party, including but not confined to, bank delay, postal delay, delay caused by accident, emergency or act of god. For the avoidance of doubt, but subject to clause 11.4 below, the Client accepts that it is the Client who is solely responsible for ensuring that all payments required under any transaction between the Client and BFX are made promptly and within the time limits specified by the particular Contract.

10.6. Either party may terminate an agreement entered into under these Terms with immediate effect by giving written notice to the other party by fax or post SUBJECT TO the following conditions:

(a) all rights and obligations of either party that existed prior to termination will remain and will not be affected by the termination;

(b) unless confirmed by BFX giving notice to the Client all orders and other instructions given to BFX by the Client or an Authorised Party prior to termination will still be valid. Giving notice of a wish to terminate will not automatically cancel or rescind any Orders or instructions given to BFX. BFX will use all reasonable endeavours to terminate any Orders it processes on behalf of the Client as soon as it receives notice of instructions from the Client to do so. However, BFX cannot guarantee such notice will be received or acted upon immediately and BFX will continue to act in good faith in accordance with all Orders and instructions received prior to receipt of a notice of termination. In any event, where BFX is unavoidably committed to processing an Order or incurring other costs, liabilities or obligations as a result of the Client's actions BFX shall be entitled to proceed with the relevant Order or instructions;



and (c) where an Order or instruction is given to BFX before termination and is completed after termination (in accordance with paragraph

10.6(b)) each party shall fulfil its obligations under any such Order or instruction as if termination had not taken place.

11. Limitation and Assumption of Liability

11.1. BFX shall not be liable to the Client for any delay or failure to perform its obligations under these Terms or any Contract by reason of any cause beyond the reasonable control of BFX, but BFX shall try to perform those obligations as soon as it reasonably can in any event.

11.2. The Client shall, on demand by BFX, compensate BFX in full and keep it compensated from and against all liabilities, damages, losses, reasonably incurred expenses (including lost profits and expenses from any action taken by BFX to reduce its exposure to risk or loss in respect of breach of these Terms by the Client) and costs (including reasonable legal costs) duties, taxes, charges or commissions reasonably incurred or suffered by BFX in the proper performance of its services or the enforcement of its rights under these Terms and, including but not limited to: (a) the Client being in breach of any of these Terms or any Contract; (b) BFX acting upon any Order which BFX reasonably assumed was made by the Client or an Authorised Party; or (c) BFX exercising its rights under these Terms to close out all or any part of any Contract before its applicable Value Date. In no event shall BFX be entitled to exercise its rights under these Terms or at law (including but not limited to those set out in clauses 8.3, 10.4, 11.2 and 12.1) to recover more than the reasonable sums to which it may be entitled to compensate it for losses actually incurred by it.

11.3. Due to the time-critical nature of the obligations to be carried out by the Client under these Terms and the material effect any delay may have on the performance of a Contract, the Client shall be fully responsible for any liability, losses, expenses or costs incurred by BFX as a result of any such delay subject to paragraph 11.4

11.4. The Client shall not be responsible for any delay causing liability, losses, expenses or costs under paragraph 11.3 if the

delay was caused by events beyond its reasonable control and in respect of which it is not reasonable to expect the Client to have taken steps to avoid or remedy such delay. For the avoidance of doubt, however, the Client uses communication media and channels entirely at its own risk. Failure to transfer monies or pass on instructions due to the failure of a third party communication provider shall not automatically relieve the Client of its responsibilities under these Terms and the Client is advised to confirm receipt by BFX of communications and use alternative methods of communication in the event of such failures.

11.5. The provisions in this clause 10 shall survive termination of any Contract or other agreement under these Terms.

12. Damages

12.1. Nothing in these Terms shall allow BFX to recover more than the reasonable sums to which it may be entitled to compensate it for losses actually incurred by it. Consequently, if the Client commits a material breach of these Terms the Client agrees that BFX may recover any losses, costs and expenses reasonably incurred by it as a result of BFX entering into the relevant Contracts and in particular any Forward Contract or Forward Time Option Contract or Limit Order or Stop Loss Order or other transaction.

12.2. A material breach (as referred to in clause 11.1) includes the Client's failure to comply with its obligations to make payments to BFX under any Contract on the Value Date or to pay any monies that from time to time become due and payable to BFX and which are governed by these Terms.

12.3. Where the Client commits a material breach of these Terms, in order to recover any losses, costs and expense incurred by BFX, BFX may: (a) retain part or all of any sums that the Client has lodged with BFX (to a maximum amount equal to all sums due or to become due to BFX from the Client); and (b) sell the necessary covering currency to terminate the Contract and in particular any Forward Contract or Forward Time Option Contract or Limit Order or Stop Loss Order.

13. General 13.1. These Terms constitute the whole agreement and understanding of the parties with respect to their subject matter and supersede all previous oral communications and prior writings with respect there to although nothing in these terms

shall limit or exclude either Party's liability for fraudulent statements or representations.

13.2. BFX may amend these Terms by notice in writing to the Client at any time. Any such amendment shall take effect from the date specified by BFX but shall not affect any rights or obligations that have already arisen. Otherwise, these Terms may only be varied by the written agreement of both BFX and the Client. 13.3. If at any time any provision of these Terms or any Contract is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, this shall not affect the legality, validity or enforceability of such provision under the laws of any other jurisdiction.

13.4. If either BFX or the Client fails to exercise or delays exercising any right or remedy under these Terms by doing so it does not forfeit or waive that right. The rights provided in these Terms do not exclude other rights or remedies provided by law.

13.5. The parties agree and consent to: (a) the electronic recording by either party of telephone conversations between the parties with or without an automatic tone warning device; and (b) the use of such recordings as evidence by either party in any dispute or anticipated dispute between the parties or relating to dealings between the parties.

13.6. Any such recordings or transcripts made by BFX may be destroyed by BFX in accordance with BFX's normal practice.

Beltcastle-FX
Unit 3, 42 Braganza Street
London SE17 3RJ
United Kingdom
Tel: +44 (0)20 7820 0050
+44 (0)5600 767 618
Fax: +44 (0)20 7793 1153
info@beltcastle-fx.com
www.beltcastle-fx.com

14. Data Protection

14.1. The Client agrees that BFX may hold and process, by computer or otherwise, any information gained from the Client as a result of entering into a Contract or any other agreement with BFX ("Personal Data"). The Client agrees that BFX and/or any other members of its group of companies may use this Personal Data for the purposes of providing services to the Client under these Terms or any Contract (including but not limited to carrying out credit references and confirming identity) and/or improving its services.

14.2. The Client also agrees that BFX may use the Personal Data to provide the Client with details of other BFX products or services which may be of interest to the Client or to pass the Personal Data on to any organisation who assumes BFX's obligations and rights under a Contract.

14.3. Where the Client has given its specific consent to BFX either in written or electronic form, BFX may also pass on the Personal Data to third parties for other specified purposes.

14.4. The above uses of Personal Data may mean that it is passed to organisations based outside the European Economic Area ("EEA"). **These countries may not have laws in place that afford the Client the same level of protection in relation to his or her Personal data as the laws in the countries within the EEA do. By dealing with BFX on these terms and conditions the Client consents to the passing of data to such countries.** 14.5. If the Client no longer wishes to receive any information relating to other products or services from BFX or third parties they should contact BFX at the address detailed above.

Applicable Law These Terms and any relationship between BFX and the Client shall be governed by English law. All communications between the Client and BFX shall take place in English.

