

Safeguarding of Clients' Assets Policy

Forextime Limited

Version 4.0

1. General

ForexTime Limited, hereinafter referred to as the “Company” or “FXTM”, is regulated by the Cyprus Securities and Exchange Commission (the “CySEC”) with license number 185/12 and governed by the regulations laid out in the Markets in Financial Instruments Directive II (MiFID II) and by the Investment Services the exercise of Investment Activities and the operation of regulated markets Law of 2017 – Law 87(I)/2017 (hereinafter, the “Law”). The Company maintains effective and transparent measures in order to secure and safeguard Clients’ financial instruments and funds.

2. Policy

Clients’ funds are segregated completely from the operational funds of the Company and kept in top-tier banks. As per the relevant legislation, the Company is prohibited from using Clients’ funds in its operations or any other investment, while it should ensure segregation and protection at all times.

Apart from the fact that the Clients’ funds are segregated in top-tier banks, it should be noted that the Company collaborates only with regulated Payment Service Providers as this is also required by the relevant legislation engulfing the Company’s operations. Information in relation to the relevant Payment Service Providers is also depicted in the Company’s website <http://www.forextime.com/eu/forex-trading/deposit-withdrawals/regulatory-information/>.

The Company, follows inter alia, the following steps in order to ensure that the Clients’ funds are safeguarded, protected and secured:

1. Maintains segregated Client accounts (titled as ‘Client Accounts’) at all times, and may distinguish funds which belong to the Clients from those that belong to the Company.
2. Maintains its records and accounts in a way that ensures their accuracy, and in particular their correspondence to the financial instruments and funds held for Clients.
3. Perform daily reconciliations between the Company’s operational funds and Clients’ funds.
4. Perform daily reconciliations of all Client funds balances held in financial institutions/ payment processors and the balances of the Clients in the Company's Metatrader trading platform. FXTM reserves the right to carry out such reconciliations and transfers more frequently, should FXTM reasonably consider that this is necessary to protect FXTM’s or a Client’s interests.
5. Introduces adequate organizational arrangements to minimize the risk of the loss or diminution of Clients’ assets, or of rights in connection with those assets, as a result of misuse of the assets, fraud, poor administration, inadequate recordkeeping or negligence.
6. Employs adequate arrangements in order to ensure Clients’ assets and ownership rights in the event of the Company’s insolvency.

7. The Company exercises all due skill, care and diligence in the selection of the institutions it holds Client funds with, and carries out periodic assessments of the arrangements and procedures followed by the aforesaid institutions.

The Company adopted the SSL (Secure Sockets Layer) network security protocol to guarantee a secure connection for all communications with its Clients, protect them during their transactions with the Company and keep all Client information private. In this respect, the below is ensured:

1. User identification and server authentication policies, ensure the data is sent to the right client terminal and server.
2. Data transmission is encrypted to prevent data theft and unauthorized access by third parties.
3. Maintain data integrity and ensure that all data remain unchanged during transmission.

Information requirements concerning safeguarding of client financial instruments or funds

- The Company may pass money received from the Client to a third party (e.g. a bank, a market, intermediate broker, OTC counterparty) to hold or control in order to effect a transaction through or with that person or to satisfy the Client's obligation to provide collateral (e.g. initial margin requirement) in respect of a Transaction. The Company has no responsibility for any acts or omissions of any third party to whom it will pass money received from the Client.
- The third party to whom the Company will pass money may hold it in an omnibus account and it may not be possible to separate it from the Client's money, or the third party's money. In the event of the insolvency or any other analogous proceedings in relation to that third party, the Company may only have an unsecured claim against the third party on behalf of the Client, and the Client will be exposed to the risk that the money received by the Company from the third party is insufficient to satisfy the claims of the Client with claims in respect of the relevant account. The Company does not accept any liability or responsibility for any resulting losses.
- The Company may hold Client money on the Client's behalf outside the EEA. The legal and regulatory regime applying to any such bank or person will be different from that of Cyprus and in the event of the insolvency or any other analogous proceedings in relation to that bank or person, the Client money may be treated differently from the treatment which would apply if the money was held with a bank in an account in Cyprus. The Company will not be liable for the insolvency, acts or omissions of any third party referred to in this paragraph.
- The Company may deposit Client money with third parties who may have a security interest, lien or right of set-off in relation to that money. The Company might agree to security interests, liens or rights of set-off over Client assets only where this is required by the applicable law in a third country. In case the Company enters into agreements that create such security interests, liens or rights of set-off, shall disclose that information to

Clients indicating the risks associating to that arrangements. Where security interests, liens or rights of set-off are granted by the Company over Client financial instruments or funds, or where the Company has been informed that they are granted, they shall be recorded in the Client contract/ agreement and the Company's own accounts to make the ownership status of Client assets clear, such as in the event of an insolvency.

- A Bank or Broker through whom the Company deals with could have interests contrary to the Client's Interests.

Client Money

- Relevant Amounts held on the Trading Account (“Segregated Funds”) are segregated by FXTM and held in accordance with Applicable Regulations.
- FXTM may hold Client Money and the money of other clients in the same bank account (omnibus account), according to Applicable Regulations.
- FXTM shall not be obliged to pay interest to the Client on any funds which FXTM holds. The Client waives all rights to interest.
- FXTM will promptly place any funds held on the Client's behalf, into a Segregated Account (subject to and according to applicable legislation).
- Unless the Client has notified FXTM in writing to the contrary, FXTM may hold Segregated Funds on the Client's behalf in a Segregated Account located outside Cyprus or pass money held on the Client's behalf to an intermediate broker, settlement agent or OTC counterparty located outside Cyprus. The legal and regulatory regime applying to any such person will be different from that of Cyprus and in the event of the insolvency or any other equivalent failure of that person, the Client's money may be treated differently from the treatment which would apply if the money was held in a Segregated Account in Cyprus. FXTM will not be liable for the solvency, acts or omissions of any third party referred to in this clause.
- In the event that there has been no movement on the Client's Trading Account Balance for a period of at least six years (notwithstanding any payments or receipts of charges, interest or similar items) and FXTM is unable to trace the Client despite having taken reasonable steps to do so, FXTM will keep any Client's money balances in the Segregated Account until contacted by the Client.
- FXTM shall not be held liable or have any further obligation in the event that any credit or financial institution with which Segregated Funds are held defaults in its obligations with respect to the Segregated Funds.

Clients may find additional information alongside with the risks of specific type of instruments in the Risk Acknowledgement and Disclosure document available in the Company's website <http://www.forextime.com/eu/regulatory-compliance/client-account-opening-agreements>.

Clients may find more information regarding the safeguarding of client financial instruments or funds in the document with the "Client Agreement" available in the Company's website <http://www.forextime.com/eu/regulatory-compliance/client-account-opening-agreements>.

3. Amendment of the Policy and Additional Information

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate and/or at least annually.

Should you require any further information and/or have any questions about this policy please direct your request and/or questions to compliance@forextime.com