



FXTM
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FXTM Invest: Investor Agreement

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1. INTRODUCTION

- 1.1. This FXTM Invest: Investor Agreement (“Agreement”) explains the rules we (“FXTM” or the “Company”) follow when you (“Investor” or “Client”) become an Investor under our FXTM Invest Investor service.
- 1.2. Apart from this Agreement, there are rules around your investing or trading on MyFXTM in other Operative Agreements. You should read each of them carefully before you start trading with us.
- 1.3. You can find definitions for any capitalized terms used in this Agreement or in the Client Agreement.

2. ACCEPTANCE

- 2.1. You will receive a notice to confirm that you have been accepted as an Investor after you have made an online request, properly completed the application form, submitted all required documents and accepted this Agreement and the Operative Agreements on the Website.

3. SERVICES

- 3.1. You will participate in FXTM Invest and have access to or follow a series, sequence and/or set of Transactions carried out by the Strategy Manager through the Strategy Manager’s account (“Investment Strategy”).
- 3.2. The Strategy Manager has entered into a separate agreement with FXTM to provide specific trading strategies and will provide his/her Investment Strategy on the Website for your investment (the “Strategy Manager”).
- 3.3. When you become an Investor, you agree to:
 - (a) appoint the Strategy Manager as your true and lawful attorney and agent, with full power and authority to act as a manager of your Investment Account;
 - (b) instruct FXTM to take all such necessary actions to follow the Investment Strategy.
- 3.4. The Investment Strategy will be followed at a pro-rata basis, comparing the funds in the Strategy Manager’s account with the funds in the personal account opened under your name when you joined an Investment Strategy (your “Investment Account”).
- 3.5. When you follow an Investment Strategy, you allow FXTM:
 - (a) to invest or deal with your Investment Account as the Strategy Manager in its own discretion and as FXTM deems appropriate for you;
 - (b) to purchase, acquire, sell, dispose of, maintain, exchange or trade our Instruments in any manner;
 - (c) to enter into contracts for differences and place Quotes and Orders for transmission or execution with another investment firm or bank;
 - (d) to execute Transactions on an alternative venue;
 - (e) to enter Transactions in any markets and act in any other way which the Strategy Manager deems appropriate in relation to the Investment Strategy;
 - (f) to issue Orders and Instructions with respect to the disposition of the Instruments, forming part of the Investment Strategy.



4. FXTM INVEST

- 4.1. "FXTM Invest" service is developed by FXTM and allows you to follow a Strategy Manager's strategy by copying the trades in a specially designated account, for a Profit Share.
- 4.2. The profit share represents a percentage of the profits that will be rewarded to the Strategy Manager for his positive performance and will be paid within thirty (30) days from the day of initial minimum deposit ("Profit Share"). In case the Investment Strategy is withdrawn or closed, the High Water Mark rule will apply.
- "High Water Mark" means the highest peak in equity value that the Investment Account has reached.
- 4.3. You can join any Investment Strategy available on FXTM Invest. We will provide you with the Investment Strategy, relevant information, applicable costs and fees, Profit Share and the history of performance of each Investment Strategy as amended from time to time on our Website.
- 4.4. You understand that each Investment Strategy has its own fees and charges, asset valuation and procedures.
- 4.5. We will settle your Investment Account in a payout interval:
- (a) to begin on the date your account is activated (first minimum deposit);
 - (b) equal to one calendar month;
 - (c) to end at the beginning of the following payout interval.

When the payout interval is reached, we will pay the Profit Share to the Strategy Manager automatically if your account is profitable compared to your previous interval and if it exceeds the High Water Mark.

5. SUITABILITY

- 5.1. You undertake to provide any necessary information we may request to assess your knowledge and experience on the underlying risks in the Transactions or management of your Investment Account or your financial situation and investment objectives.

6. REPORTS

- 6.1. We will provide you with monthly statements (the "Reports") on your trade, deposits and withdrawal transactions executed in your Investment Account and Profit Share payments.
- 6.2. You will receive the Reports and/or report any inconsistencies within the Report as provided in Clause 40.1 – 40.3 of the Client Agreement.
- 6.3. Confirmations will, in the absence of manifest error, be deemed conclusive unless you notify FXTM in writing to the contrary within ten (10) Business Days following the day of receipt of the said confirmation with error.
- 6.4. You agree not to receive a quarterly or annual Report as the information on your Investment Account will be included in your monthly Reports.



7. PROFIT SHARE AND EXPENSES

7.1. You agree to:

- (a) pay the Strategy Manager a remuneration equivalent to the Profit Share for each Investment Strategy you join;
- (b) pay the Strategy Manager any Profit Share, fee or expense or deduction from your Investment Account and/or MyFXTM wallet, in the event of a partial or full withdrawal;
- (c) cover the Strategy Manager's value added tax or any other tax, contribution or charge duty attributable to any Transaction, any act or action of FXTM under this Agreement;
- (d) allow FXTM to withhold any taxes as per any Applicable Regulations and understand that you will be responsible for your taxes under this Agreement.

7.2. We may pay or receive monetary and non-monetary benefits to or from the Strategy Managers and/or other third parties in relation to FXTM Invest as per the Applicable Regulations. Upon your request, we will share any information on such benefits where applicable.

8. DEPOSITS AND WITHDRAWALS

8.1. You may deposit into or withdraw from your Investment Account at any time by submitting a request in your MyFXTM, subject to subpara 9 below.

8.2. You will be required to make a minimum deposit as indicated on our website into your Investment Account.

8.3. You cannot cancel a request to deposit and/or withdraw funds before execution.

9. AGGREGATION

9.1. Aggregation means that FXTM may combine your Orders with those of our other clients for execution as a single Order. We will aggregate Orders, if we reasonably believe that this is in the best interests of our clients.

9.2. We cannot guarantee that aggregation will result in a more favourable execution price compared to standalone execution and will not bear any related responsibility.

9.3. You agree that:

- (a) Where more than one Client joins an Investment Strategy, the Orders will be executed as an aggregate of the volumes of all Investment Accounts and the Strategy Manager account, in one separate order;
- (b) The price of execution for all Investment Accounts following the specific Investment Strategy will be defined based on the average price of all prices executed for the specific Order; and
- (c) Where a Client joins, deposits to, pauses, resumes, and/or withdraws from his Investment Account, clause 11.2 (a) will not apply and orders will not be executed as an aggregate.



10. VALUATION OF CLIENT'S INVESTMENT ACCOUNT

Your Investment Account will be valued as follows:

- 10.1.** Instruments, which are listed on any stock exchange will be calculated on the basis of their closing offer price on the relevant date as published; by the relevant stock exchange authorities or as directed by FXTM; and

if the offer prices of the relevant Instrument cannot be determined in this way for any reason, they will be calculated in accordance with the closing offer price of the relevant Instrument as published; by the relevant stock exchange authorities or as directed by FXTM on the last date on which such publication has been made immediately prior to the relevant date of valuation.

- 10.2.** Instruments, which in FXTM's opinion, cannot easily be realized, will be calculated on the basis of fair valuation as determined by FXTM; and the following investments will be added to the final value for the relevant Annual or Monthly Period –

- (i) gross dividends, distributions of cash, bonus shares or other bonus securities, rights issues, warrants and interest received from or in relation to investments of the portfolio;
- (ii) any withdrawal of cash or investments from the portfolio; and/or
- (iii) any withdrawal of cash or investments from the portfolio.

"Monthly or Annual Period" means every continuous monthly or annual period commencing, in the case of the first monthly or annual period, on the date of commencement of this Agreement and ending one calendar month or year thereafter and in the case of every subsequent monthly or annual period, commencing on the first day which next follows the last day of the immediately preceding Monthly or Annual Period and ending one calendar month or year thereafter.

- 10.3.** Any monetary profits made from entering into contract of differences Instruments will be included in the valuation of the portfolio after deducting the applicable Profit Share and Transaction Expenses.

"Transaction Expenses" means the costs associated with the Transactions and services undertaken by FXTM on your behalf (i.e., conclusion, execution and settlement of Transactions, currency conversion e.g., expenses of other brokers, custodians, any stock exchange and/or banks) as well as any expenses incurred by FXTM in connection with this Agreement and/or protection of your rights to your Instruments.

- 10.4.** The value of the Investment Account may change based on the movement of underlying Instruments, further deposits and withdrawals.

- 10.5.** The final value of the Investment Account for the relevant Payout Interval, will be determined after deduction of all outstanding Profit Share, fees and expenses, including third-party ones.

- 10.6.** The final value of the Investment Account for the Payout period will be compared with a benchmark that FXTM will select to track your Instruments and reflect your investment objectives.



11. ACCOUNT CLOSURE AND TERMINATION

- 11.1.** You may initiate closure of your Investment Account by making a closure request in MyFXTM. In this case, all your Open Positions on your Investment Account must be closed at the time the request is made.
- 11.2.** We may initiate closure of your Investment Account taking into consideration your pre-agreed investment policy statement and the current conditions of the markets.
- 11.3.** Upon closure of your Investment Account and termination of this Agreement, we will follow the general rules in Clause 20 of the Client Agreement.

12. MISCELLENOUS

- 12.1.** To contact us, please email us at: investments@fxm.com. You will find more rules about communication in Clause 18 of the Client Agreement.
- 12.2.** We may freeze your Investment Account for failure to provide any documents or information required under this Agreement and will charge you a handling fee of \$5 per month or the balance of the account, whichever is lower, until you provide this documents or information.



Appendix 1: Functionalities of the Investment Account

1. Initial Minimum Deposit

If you meet the minimum deposit level, the system will automatically start following the Investment Strategy i.e., new order(s) will be executed if the Investment Strategy has Open Positions at current market prices. This is a resume case/action.

2. Re-deposit and Withdrawal

- (a) When you submit a re-deposit or withdrawal request, if the Investment Account has Open Positions, the system will pause your Investment Account, execute the re-deposit or withdrawal request and then resume trading, at current market prices.
- (b) **"Pause"** an Investment Account means to click on the "Pause" button in your Investment Account unless paused by the system. If the Account is paused, all positions in the Account will be closed.

3. Processing and Execution of Orders

- (a) All your requests in relation to opening or closing orders on the Investment Account (i.e., pausing, closing, or enabling safety mode on the account) will be processed and executed during the trading hours of all the trading Instruments in the Investment Account.
- (b) Any request to change the protection level will be processed immediately but will be executed during the trading hours of all the traded instruments in the investment account.

4. Safety Mode

- (a) If you activate the "Safety mode", the system will initially pause and then resume your Investment Account with a new coefficient in order to decrease exposure to risk.
- (b) Safety mode allows you to decrease the risk level of your Investment Account by 50% compared to the strategy you are following.

5. Payout Interval and Protection Level

- (a) At the time of Payout interval, your Investment Account will pause to allow the system to calculate and withdraw the Profit Share for the Strategy Manager, if any, and will resume trading on your Investment Account thereafter.
- (b) When you open an Investment Account, the system will automatically set the protection level at 50%. Before or after making the initial minimum deposit, you may:
 - i. Adjust (increase/decrease) your Protection Level according to your preference; or
 - ii. Choose to only receive an email notification when the specified Protection Level is reached, without pausing the account.
- (c) **"Protection Level"** means the limit you set to your investment. If your capital reaches this level, then all the Open Positions will be closed or you will receive a notification to close all Open Positions by yourself, according to your preferences. Your protection Level will not be guaranteed in the event of a Force Majeure or during Abnormal Market Conditions.
- (d) When you make the initial minimum deposit, the system will take the current Protection level percentage and calculates the actual value of your Protection Level based on your initial minimum deposit.
In a case of re-deposit or withdrawal, your Protection Level will be adjusted according to the Protection Level % based on the updated equity after your re-deposit or withdrawal.



- (e) When your Protection Level is reached, the system, based on your preference, will either:
 - i. pause your Investment Account and send you an email notification, or
 - ii. only send an email notification without pausing the Investment Account.

Based on the current market conditions, your equity can drop below the Protection Level.

In case the Investment Account is paused, the system will re-calculate the new Protection Level based on the actual value and the percentage of the Protection Level remains the same. The new Protection Level will be in place as soon as the investor resume the Investment Account.

6. Rules between Investment Accounts

Your Investment Account will have the same terms and conditions as the Strategy Manager's Account followed by the Investor Account. The Strategy Manager can be registered under another brand and/or by another company. In case of any complaint, the Complaints Management Policy will apply.

7. Investment Strategy Termination

Your Investment Account will be closed if:

- (a) your Strategy Manager withdraws all the funds from his or her Strategy Manager's Account;
- (b) your Strategy Manager is inactive for ninety (90) calendar days; and/or
- (c) you are paused for ninety (90) calendar days (we will notify you five (5) days before closing your Investment Account in this case).

8. Paused Accounts

The system can automatically pause your Investment Account in case it cannot follow the Investment Strategy if:

- (a) The calculated volume to be executed on your Investment Account cannot be fulfilled if it does not meet the minimum volume requirements for the execution of trades (i.e., 0.0001 lots). In this case, the equity of Investment Account is 100 times less than the Strategy Manager account;
- (b) Extreme volatility or other technical issue;
- (c) the free margin available in the Investment Account is not sufficient to open a new position.

9. Free Margin

The Free Margin available in the Investment Account is not sufficient to open a new position if the equity of the Investment Account is 100 times less than the Strategy Manager account then investor will receive an email that will indicate how much additional funds the investor should follow in order to be able to follow that Strategy Manager account.

10. Formula for calculating Volume of Investment Account

The following Formula is used for calculating Volume of Investment Account:

$$V_i = V_m * R * K$$

V_i = Volume of Investment Account

V_m = Volume of Strategy Account

R = Relationship between the Investment Account's and the Investment Strategy's equities



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IT'S FOREX TIME

K = Coefficient of following between the Investment Account and the Investment Strategy.
It can be 1 or 0.5.

“**Coefficient**” indicates the amount of trading activity in your account compared to the Strategy Manager’s account. When Safety mode is enabled, the Coefficient in your Investment Account cannot exceed a factor of 0.5 and you will adopt approximately half the trading activity compared to your Strategy Manager’s account and subsequently half the risks and profits.

When following an Investment Strategy, the Coefficient might be slightly less in order to protect your Investment Account.