



ANNEX B

TRADING POLICIES AND PROCEDURES

1. INTRODUCTION

1.1 Your responsibility

You, the Customer, must read and understand this document before placing Orders and effecting Trades in your Account. AL Trade Inc Trading Policies and Procedures are an Annex to, and an integral part of, your Customer Agreement. It is your responsibility as Customer to carefully read these Trading Policies and Procedures and to inform AL Trade Inc of any questions or objections that you may have regarding them before entering into each and every Order. In entering your Orders with AL Trade Inc, you agree, represent, warrant and certify that you understand and accept these Trading Policies and Procedures, as they are set forth herein and as may be amended from time to time by AL Trade Inc, in its sole discretion, and you agree to comply with these Trading Policies and Procedures as currently in effect at any time. Capitalized terms in these Trading Policies and Procedures are defined in the Glossary (Annex A to the Customer Agreement).

1.2 New account applicants

You must complete all the steps of Section 4.1 of these Trading Policies and Procedures prior to executing your first Order.

1.3 Standard Forex and Mini Forex accounts

As trading progresses, Customer may want to change the type of Account from one to another. In order to facilitate this type of change, the following must occur:

- a. Customer must close all open positions and delete all pending orders;
- b. Customer must properly complete and send to the Company the "Margin Change Request" form;
- c. Customer must satisfy the Minimum Balance Requirement (if changing from one type of the account to another, the balance should be with accordance to margin requirements).

AL Trade Inc retains the right to change Account Type from Mini Forex to Standard Forex, when Account Balance exceeds the maximum allowed level, defined in the sole discretion of AL Trade Inc.

2. TRADING HOURS

All references to AL Trade Inc hours of trading are in GMT+2 Time Zone using a 24-hour format. AL Trade Inc normally provides round-the-clock access for Foreign Exchange Trading through the Trading Platform from 00:00 on Monday to 23:00 on Friday. AL Trade Inc retains the right to modify the access hours at any time. Normally an OTC Foreign Currency market operates 24 hours a day.



3. ORDERS

3.1 Types of orders accepted

a. GTC Orders

All orders entered by the Customer are considered GTC (Good Till Cancelled). There are two types of orders: Market Orders and Pending Orders. Market Orders are orders which are sent for immediate execution. Pending Orders are orders which are left to be executed at levels chosen by the Customer. Pending Orders are of two general types: Limit Orders and Stop Orders. Limit Orders are Pending Orders to buy (or sell) one specified currency against another specified currency (a Currency Pair) at a specified rate for the purpose of taking profit on an Open Position, or initiating a new position. Stop Orders are Pending Orders to buy (or sell) one specified currency against another specified currency (a Currency Pair) at a specified rate for the purpose of limiting losses by liquidating an Open Position, or initiating a new position.

b. OCO Orders

OCO orders (One Cancels the Other) combine Stop Order "Stop Loss" and Limit Order "Take profit" which are connected to the same Open Position and execution of any of them cancels the other order.

3.2 Order size and trading increments

Deals are for fixed amounts, multiple 10,000 increments of the Base Currency units. The minimum Order size is 100,000 units of the Base Currency for Standard Forex and, accordingly, 10,000 units of the Base Currency - for Mini Forex. The maximal and the minimal Order sizes are as defined by AL Trade Inc. Any position opening requires margining.

3.3 Order entry

Electronic Order entry for Market Orders equals Order execution. To enter an online Order, Customer should follow the on-line User Guide instructions. Once Customer has initiated a position or sent an Order, Customer assumes all liability and risk in connection with that position or Order. All Orders must be placed only through the Trading Platform. All Orders are accepted in the sole discretion of AL Trade Inc.

3.4 Order cancellation and changing

Pending Orders may be cancelled or changed via the Trading Platform. Rapid changes in Bid Prices and Ask Prices, however, may cause Customer's Order to be executed before Customer can cancel or change it and AL Trade Inc shall have no liability for any claims, losses, damages, costs or expenses, including attorneys' fees, arising directly or indirectly out of the failure of such Order to be cancelled or changed.

3.5 Execution of Pending and Market Orders

AL Trade Inc retains the right, at its sole discretion, to set the rate (depending on market conditions), at which will be executed the Market Orders and Buy Stop/Sell Stop orders, when the rate is different than the rate, set by the Customer in the original Order.

In low liquidity or volatile market conditions, that may occur on publication of major macroeconomic indicators, important economic and political news or in force-majeure



circumstances, AL Trade Inc retains the right, at its sole discretion, to increase spreads and/or apply restrictions on setting, modification and execution of Orders.

AL Trade Inc retains the right, at its sole discretion, to increase spreads and/or apply restrictions for setting, modification and execution of Orders for accounts using Scalping trading strategies.

a. Market Orders (Buy, Sell)

- A transaction can be executed under current AL Trade's quotations reflected in a "Market Watch" window of the Trading platform in a real time mode.
- In case of current quotation changes while order transferring, AL Trade Inc. has the right to requote.

b. Pending Orders (Buy Stop, Sell Stop, Buy Limit, Sell Limit)

- In quiet market conditions and in volatile market conditions the Orders are executed exactly at the price specified in the Order.
- If the market opens with a gap or a gap arises within the day, the Buy Stop/Sell Stop Orders are executed on a current market price, and Buy Limit/Sell Limit Orders are executed exactly at the price specified in the Order.

c. Stop Loss and Take Profit Orders

- In all market conditions the Orders are executed exactly at the price specified in the Order with the exception of cases when market is opened with a gap and Stop Loss is executed by market price.
- In case of the Pending Buy Stop/Sell Stop Order and set in the complete with it the Take Profit Order will appear within price gap, the Buy Stop/Sell stop Orders are executed on a current market price and Take Profit Order is cancelled.

Failure by AL Trade Inc to enforce its right in such cases shall not be regarded as a future waiver by AL Trade Inc of such rights.

3.6 The role of AL Trade Inc.

AL Trade Inc acts as a market maker and is a counter party in each transaction with its Customer.

3.7 Terms of Acceptance for Orders and Transactions

It is Customer's sole responsibility to clearly indicate the terms of an order (or transaction) when entered. No Pending Order will be accepted unless the specified price on such order does not differ from a current market price at the time of order entry, at least, on size of the Stops level, specified in Contracts Specifications Table for each Currency Pair.

AL Trade Inc shall have the right, but not the obligation, to reject any Order in whole or in part before or after confirmation, or to cancel and rescind any completed transaction, where the Customer's Account contains Margin that is insufficient to support the entire Order at the time that market prices reach the levels as specified by the Customer, where, in the opinion and sole discretion of AL Trade Inc, the execution of such Order may place the Customer's account in an insufficient margin condition, in case the Order has been opened under the nonexistent market price, in the event of unloading, etc., or where such Order or completed transaction is illegal or otherwise contradicts existing regulations.



3.8 Confirmation

Transactions and/or Orders executed on-line are displayed in the Trading Platform "Trade" and "Account History" screens. This information will be deemed correct, conclusive and binding upon the Customer if he did not submit the objection as electronic document within two (2) business days. AL Trade Inc retains the right to be the final arbiter with respect to disputed transactions.

4. CUSTOMER ACCOUNTS AND INITIAL DEPOSITS

4.1 Documents

Before you can place an Order or Trade with AL Trade Inc, the following must occur:

- a. You should read through the Customer Agreement (including all annexes thereto), and also to read through, issue, sign and send back to AL Trade Inc the "Customer Account Application";
- b. Your Customer Account Application must be accepted and confirmed as valid by AL Trade Inc;
- c. You must deposit sufficient funds in your Account, and your deposited funds must be cleared the banking system.

4.2 Currency of the Account

The deposits to the Customer's Accounts will be accepted in one of the three currencies that are: U.S. Dollars, Euro or Pounds Sterling. The incoming wires in other currencies will be automatically converted into chosen currency of account keeping. All account balances will be computed and reported to the Customer only in currency of account keeping.

4.3 Minimum Initial Deposit

The minimum initial deposit to open a Standard Forex account is \$1,500 (€1500; £1500) and to open a Mini Forex account is \$200 (€200; £200). The minimum initial deposit value is subject to change at any time in sole discretion of AL Trade Inc.

4.4 Receipt of Deposit

No deposit will be recognized as received until the transfer has been fully completed and collected by AL Trade Inc bank or depository institution. Deposit funds transfer to the Customer's Account requires a duly filled and submitted "Notice Of Deposit" form.

4.5 Fees

All banking and administrative fees will be charged to the Customer's account with AL Trade Inc.



5. MARGIN REQUIREMENTS

5.1 Margin

AL Trade Inc will permit the Customer to post as margin a percentage of the full amount which the Customer is obligated to pay to AL Trade Inc under the contract to secure Customer's obligations to AL Trade Inc. The required margin for open positions is calculated based on:

- a. The Opening Margin Requirement;
- b. The Maintenance Margin Requirement;
- c. The market value of Open Positions.

The margin requirements are subject to change at any time in sole discretion of AL Trade Inc and without prior notice.

5.2 Opening Margin Requirement and Margin Requirement Changes

This is the minimum amount of money on deposit necessary (under the sole discretion of AL Trade Inc) to open a new position. The minimum Opening Margin Requirement, depending on type of the Account and deposit value, is equal from 1.0 % (1:100 leverage) up to 0.5 % (1:200 leverage) of Opened Positions; but Customers can utilize smaller ratios.

If the Customer wishes to change the ratio at any time after the Account is opened, the following two conditions must be satisfied:

- a. The Customer must close all open positions and delete all Pending Orders;
- b. The Customer must properly complete and submit the "Margin Change Request" form.

5.3 Maintenance Margin Requirement

The Maintenance Margin Requirement is the minimum Equity necessary (in the sole discretion of AL Trade Inc) to maintain Open Positions in Customer's Account. Unrealized Gains / Losses will affect the value of the Equity in the Account.

5.4 Withdrawal of Funds

Payments from the Customer's Account require a duly filled and submitted "Funds Withdrawal Request" form and are carried out according to paragraph 8.1 of Customer Agreement.

5.5 Customer funds

Cash on deposit in Customer's Account will, at all times, be subject to the claims of AL Trade Inc for amounts due by Customer.

5.6 Liquidation Level

If the Equity on the Customer's account at any time equal or less than 20% (twenty percent) of the Used Margin for Customer's Account, AL Trade Inc will have the right (but not the obligation) to liquidate some or all of open positions in the Customer's Account. Any failure by AL Trade Inc to enforce its rights in such cases shall not be deemed a future waiver of such rights by AL Trade Inc.