

Corporate Account



ACCOUNT OPENING CHECKLIST

Corporate Account Holders

Corporate Account Opening Checklist:

Please return this booklet with all applicable pages completed:

All Accounts	
Corporate Account Opening Application Form	
Board Resolution (Annexure A)	
Member Client Agreement	
Member Client Agreement – Non-discretionary trading – deleted clause 3.2 and initialled by the Account Holder	
Member Client Agreement – Discretionary trading – deleted clause 3.1 and initialled by the Account Holder	
Letter authorizing a third party to operate the Account	

Corporate Documentation List:

Proof of Existence	
Certified Copy of Certificate of Incorporation	
Certified Copy of Articles of Association	
Certified Copy of Trade License (if applicable)	
Where any Shareholder owns 10% or more of the entity:	
Certified copy of passport/driving license	
Original utilities bill (dated within the past three months)	
Identification of CEO	
Recent passport size photograph	



Certified Copy of passport/driving license	
Original utilities bill (dated within the past three months)	
Other	
Letter from the Account Holder's main bank confirming relationship	
Certified Copy of the Account Holder's latest, audited financial statements or, if not available, a brochure/leaflet that unequivocally identifies entities on-going business.	

Hedge Funds (Additional Documentation Required)

Prospectus or Offering Memorandum	
Certified Copy of Investment Management Agreement	

Trust Funds (in lieu of corporate documents)

Certified Copy of Trust Deed	
List of beneficiaries	
For all settlors, successors and trustees and beneficiaries	
Recent passport size photograph	
Certified copy of passport/driving license	
Original utilities bill (dated within the past three months)	

FOR OFFICAL USE ONLY	
NAME ACCOUNT HOLDER	
ACCOUNT NUMBER	
TYPE OF ACCOUNT	



EARNEX DMCC

Corporate Client Application Form

The provision of information under this section is a condition precedent to the development of a relationship between EARNEX DMCC and the Corporate Client. Therefore, all Corporate Clients are required to complete each and every applicable section of this form. The person authorized by the Corporate Client is also required to append his signature on each page of this form, along with the common seal of the company if applicable. Please note that this form will become an integral part of the Member Client Agreement upon completion. In addition, please note that EARNEX DMCC shall only enter into and develop a business relationship with customers for whom it considers it to be suitable and, in assessing suitability, will rely on the information to be provided by the Corporate Client in this application form. Therefore, it is essential that the Corporate Client advises EARNEX DMCC immediately in writing (fax or e-mail transmission is acceptable) if there are any subsequent changes to the information provided herein.

PROSPECTIVE CORPORATE CLIENT PROFILE / KYC COVERSHEET

Where “Corporate Client” is a corporation, partnership, trust or fund



1. Client Contact Information

Name of Client Contact:

Relationship to Account Holder:

Mobile: House/Office Number

Address:

2. Introduction

Known to: Years/months:

Referred by:

Solicited based on recommendation from: Related to:

3. Account Holder General Information

Registered Name of Account Holder:

Status (resident or non-resident):



Country of Incorporation:

Type of Entity (i.e. Limited Company, Partnership, Trust, Fund):

Chief Executive Officer/Principal Officer:

Account Holder Registration Number (if applicable):

Registered Business Address:

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.....

Telephone number:

Fax Number:

Nature of Business:

Is the Account Holder regulated?

YES	NO

If yes, what is the name of the Regulator?:

Is the Account Holder listed on an Exchange?

YES	NO

If yes, what is the name of the Exchange?:

Board Resolution dated attached as Annexure A.

4. Details of Shareholders/Beneficial Owners

We require information on certain individuals related to the Account Holder. Please complete the details below for each of the following (use Additional Information/Continuation Sheet where necessary):

- All Shareholders/Beneficiaries with 10% or more ownership of or beneficial interest in the Account Holder
- All Account Operators

If an individual acts in more than one of these capacities the information only need to be provided once. Please ensure all the relevant capacities of the individual are indicated below.

For the purposes of this form:



“Shareholder” is someone or an entity that holds shares or has an ownership or partnership interest in the Account Holder

“Beneficiary” is someone or an entity that has an ownership or partnership interest in the ownership chain of the Account Holder or who is an ultimate beneficiary of assets held and profits made by the Account Holder.

In what capacity are you providing this information, please tick all that applies?

Shareholder/Beneficiary Account Operator

If Shareholder/Beneficiary what percentage of the Account Holder’s shares do you own?

Full Name: Nationality:

Residential & Business Address: (Res)

(Off)

Email Address:

Telephone Numbers:-

Home:

Business:

Mobile:

Other:

Fax Number:

Date and place of birth:

Identity Number: Passport Number:

5. Bank Account Information

Name of bank/banks with whom Account Holder has an account:

Address:

Type of account (individual/joint):

Title of account:

Account number(s):

9 Digit ABA# (US Clients): Sort Code (UK Clients):

SWIFT Code (Int’l Clients): IBAN:



Bank Contact Name: Bank Contact Phone:

6. Financial Information:

Estimated total balance-sheet assets:

Origin of assets deposited into Account:

Source of information:

7. Investment Profile (Please tick the relevant box or boxes)

Short/long term investment

Hedging

Arbitrage

Pricing/Delivery

Other (please describe)

8. Estimated Daily Transactions

Estimated number of daily transactions to be made with EARNEX DMCC:

6 contracts or less 7-20

21 – 50 more than 50

9. Confirmation Slips

Would you like to receive confirmation of your executed trades electronically (by Email) or by post/courier? Please tick the relevant box.

E-mail	Post/Courier
<input type="checkbox"/>	<input type="checkbox"/>

Signature on behalf of Account Holder:

10. Margin Deposit

The Account Holder hereby undertakes to deposit margin against their outstanding trades/exposure for the purposes of trading in the Account. EARNEX DMCC shall notify the Account Holder of any change in the above margin requirements for trades already executed, at least three days prior to the implementation of the revised margin requirements.

11. Investment Services

Do you intend to allow any other person to personally give us instructions and undertake transactions/business in the Account on your behalf or will an agent act on your behalf? If so, please provide all credentials of said person/agent



with authority in his favour, in the form of the letter attached at Appendix [A]. This is required by EARNEX DMCC for identification purposes. (Please tick the appropriate box).

YES	NO

Signature on behalf of Account Holder:

12. Other Details

Are any of the Account Holder’s Shareholders or Beneficiaries a politically exposed person? (I.e. are/were they a senior military official, government or political official of any country, a senior executive of a state-owned corporation or an immediate family member or close associate of such person?)

Yes	No	Not Sure

If ‘Yes’ or ‘Not Sure’ please provide any known details

.....

.....

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.....

To be completed by relevant EARNEX DMCC staff member:

Information Captured By	:	
Name	:	
Signature	:	
Date	:	
Information Supplied By	:	
<i>The information supplied is correct to the best of my knowledge</i>		
Signature	:	
Date	:	

Additional Information/Continuation Sheet

Please provide details of any additional information or continuation of information.



ANNEXURE ‘A’

Board Resolution

Whereas, a company duly formed pursuant to the laws of (the “Company”) has full corporate power and authority under its charter, by-laws and the laws of its domicile to enter into contracts for the purchase, receipt, sale (including short sale) and delivery of, whether directly or indirectly through investments in managed investment products or otherwise, cash commodities, commodity futures, security futures, options and forward contracts thereon and interests therein (including, but not limited to, exchange-for-physical, exchange-for-swap, exchange-for-risk and exchange-for-option transactions), foreign futures and options, securities and foreign currencies (collectively “Contracts”).

It is hereby RESOLVED as follows:

- 1. RESOLVED, that is in the best interests of the Company to establish a relationship with (the “Broker”) which will permit the Company to engage in trading and otherwise dealing in Contracts;
2. RESOLVED, that an application be made on behalf of the Company to the Broker to open and maintain, on margin or otherwise, one or more accounts (the “Account”) with the Broker;
3. RESOLVED, that the Company shall duly execute and deliver to the Broker;
a. the Account Opening Form, including the Terms and Conditions as set out therein;
b. the Member Client Agreement;
c. Schedule 1 to the Member Client Agreement; and
d. the Risk Disclosure Statement.
4. RESOLVED, that each of the following officers of the Company, as set out in the table below (the “Officers”), is authorized individually to (i) bind the Company by engaging in such actions (including but not limited to executing and delivering, on behalf of the Company, the Account Opening Form, the Member Client Agreement, the Risk Disclosure Statement and the Brokerage Fee Acceptance Agreement (the “Agreements”) and any other documents) as are necessary for the Company to enter into the aforementioned relationship (ii) transfer cash and/or securities to the Broker as margin for the transactions entered into through the trading service provided by the Broker and withdraw cash or securities or other property from the Account (iii) otherwise give instructions to the Broker as to the transfer and/or delivery of any such cash, securities or other property and with respect to all other transactions or matters pertaining to the maintenance and operation of the Account (iv) to deal, liaise and correspond with the Broker on behalf of the Company and to take all and any actions required to fulfil all the responsibilities and obligations of the Company to the Broker under the applicable laws, the Exchange Rules and Regulations and Terms and Conditions in relation to the Account and (v) to deal with all other incidental and ancillary acts, things and deeds pertaining to the Account.

Table with 3 columns: NAME, TITLE, SIGNATURE. The table is currently empty.



- 5. **RESOLVED**, that it is the intention of the Company, to give the Officers, and each of them, the broadest possible power with respect to the Account; and the Company agrees to hold the Broker harmless against any and all claims, liabilities or expenses (including legal fees) that may arise by reason of its following any directions, instructions and orders given to it by any of the Officers in respect of the Account.

In addition, in order to induce the Broker to accept the Account in the name of the Company, the Company hereby represents warrants and agrees as follows:

- a) In the event the foregoing resolutions are rescinded or amended at any time, or any of the representations and warranties in the Member Client Agreement cease to be true and correct at any time, the Company will promptly notify the Broker in the manners set forth in the Member Client Agreement at clause 4.7 *Notices*;
- b) The Company agrees to indemnify and hold the Broker, its successors and assigns, harmless against and from any loss, expense, damage or liability incurred because any of the above representations and warranties shall, at any time, not be true and correct or the above Agreements shall not have been fully performed by the Company.

SIGNED BY THE DIRECTORS:

Print Name:

- | | | |
|----|-------|-------|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |

Date of Resolution:



EARNEX DMCC

Member Client Agreement

This Member Client Agreement is entered into on Day of by and between the following:

EARNEX DMCC having its registered address at **Office 309, Gold Crest Executive, Jumeirah Lakes Towers, P.O. Box: 40462, Dubai UAE.** (hereinafter referred to as the "**Broker Member**" which expression shall where the context so permits be deemed to include its successors-in-interest and assigns) and a resident of (hereinafter referred to as the "**Client**", which expression shall, where the context so permits, include be deemed to include his successors-in-interest, heirs and assigns).

1. Application and Scope of this Agreement

1.1 Services

The Broker Member will provide the following services to the Client:

- (a) The sale, purchase and/or clearing of (i) Commodities Contracts (as defined in the Securities and Commodities Authority ("**SCA**") Regulations) and/or (ii) options on Commodities Contracts) approved by SCA for trading on the Dubai Gold and Commodities Exchange ("**DGCX**") (each a "**Transaction**") and the keeping of one or more accounts for such Transactions; and
- (b) Such other services as may be agreed in writing between the Broker Member and the Client.

1.2 Capacity

In entering into this Agreement and each Transaction, the Broker Member and the Client shall each act as principal. The Broker Member shall not act as agent on the Client's behalf.

1.3 Application to Transactions

Unless otherwise agreed in writing between the Broker Member and the Client, this Agreement shall govern each Transaction entered into or outstanding on or after the date this Agreement takes effect.

2. Governmental and DGCX Rules and Requirements

2.1 Regulations

The Client acknowledges that the Broker Member shall be required to comply with (i) the By-Laws of the DGCX and the Rules of the Dubai Commodities Clearing Corporation (the "**DCCC**"); and (ii) all applicable federal laws and regulations of the United Arab Emirates and other laws applicable in the Emirate of Dubai, ((i) and (ii) together, the "**Applicable Regulations**") in entering into or performing obligations under a Transaction governed by this Agreement. The Client will take all reasonable steps to comply with all relevant Applicable Regulations in relation to this Agreement and any Transaction.

2.2 *Conflict between this Agreement and Applicable Regulations*

If there is any conflict between a provision of this Agreement and any Applicable Regulation, the Broker Member shall be entitled to comply with such Applicable Regulation and shall not be in breach of its obligations under this Agreement. The Client agrees that the Broker Member may take or omit to take any action it considers necessary to comply with any Applicable Regulations and any action which the Broker Member takes or omits to take for the purpose of compliance with an Applicable Regulation including, without limitation, any liquidation, in whole or in part, of the Client's positions shall not render the Broker Member or any of its directors, officers, employees or agents liable.

2.3 *Contracts subject to DGCX By-Laws and DCCC Rules*

All Transactions executed on DGCX in accordance with the terms of this Agreement are subject to the DGCX By-Laws and DCCC Rules as amended from time to time.

2.4 *Compliance by the Client*

The Broker Member shall have no responsibility for the Client's compliance with any Applicable Regulations governing or affecting the Client's conduct or for the Client's compliance with any Applicable Regulations governing or affecting Transactions.

2.5 *Action taken by the DGCX/DCCC or a Clearing Member*

The Client acknowledges that the By-Laws of the DGCX and the Rules of DCCC may afford DGCX/DCCC wide powers in various situations, including (without limitation) in an emergency or otherwise undesirable situation, or in the event of a default (not necessarily on the part of either the Broker Member or the Client), to close out a Transaction, to require the exercise of rights of set-off or to take such other steps or combination of steps as the DGCX or DCCC thinks fit. The Client agrees that if the DGCX (or DCCC or Clearing Member, acting at the direction of, or as a result of action taken by DGCX or DCCC) takes any action which affects a Transaction, then the Broker Member may take any action which it, in its absolute discretion, considers desirable to correspond with such action or to mitigate any loss incurred as a result of such action. Any such action taken by the Broker Member will be binding on the Client.

2.6 *Closing-Out*

Unless the Broker Member and the Client otherwise agree in writing, or the Applicable Regulations provide otherwise, if the Broker Member enters into any Transaction to close out any existing Transaction between the Broker Member and the Client, then each party's obligations under both such Transactions shall automatically and immediately be terminated upon entering into the second Transaction, except for any settlement payment due from one party to the other in respect of such closed out Transactions.

3. **Discretionary/Non-Discretionary Trading**

3.1 **Non-discretionary Trading*

- (a) Advice, recommendations and market or other information ("**Advice**") may be given to the Client by the Broker Member at its discretion and on its own initiative in accordance with the Broker Member's standard terms and conditions as to investment business (the "**Terms and Conditions**").

- (b) The Client retains full responsibility for making all trading decisions with respect to the Client's account. Unless otherwise agreed in writing, the Broker Member will not owe the Client any duty to advise it on the merits or suitability of any Transaction nor be under any obligation to provide Advice on an on-going basis in relation to any investments of the Client.
- (c) Any Advice communicated to the Client is incidental to the provision of services by the Broker Member to the Client under this Agreement and does not constitute an offer to sell, or the solicitation of an offer to buy, any futures contracts or options or any commodity underlying any futures contracts or options.
- (d) The Client acknowledges that any Advice is provided solely to enable the Client to make its own investment decisions and may be different from Advice given to other customers due to individual analysis of fundamental and technical factors by different personnel. Such Advice may not be consistent with any proprietary investments of the Broker Member or its associates, directors, employees or agents.
- (e) No representation, warranty or guarantee is made or given to the Client as to the accuracy or completeness of any Advice furnished to the Client or as to the tax consequences of the Client's Transactions.
- (f) The Broker Member has no discretionary authority or control with respect to purchasing or selling futures contracts or options relating to commodities for the Client, except as provided in Sections 4.1, 4.2, 4.3, 11 and 12.

3.2 ****Discretionary Trading**

- (a) The Client hereby grants the Broker Member authority to act on its behalf to purchase or sell futures contracts or options on DGCX for the account of the Client, subject to any conditions that may be agreed to in writing and attached to this Agreement;
- (b) Provided that the Broker Member acts in accordance with any conditions specified in accordance with Section 3.2(a) and subject to Section 14 the Broker Member shall have no liability for the results of discretionary trading undertaken for the Client;
- (c) Clauses 4.1, 4.2 and 4.3 shall cease to apply.

* Please delete section 3.1 if the Broker Member is to be given discretion when trading for the Client.

** Please delete section 3.2 if the Broker Member is not to be given discretion when trading for the Client.

4. Instructions and Communications

4.1 **Instructions and Authorization**

- (a) In entering into a Transaction, the Broker Member shall be entitled to rely upon any oral or written instructions given by the Client or by any person authorized in writing by the Client to give instructions on its behalf. The Client may revoke this authorization by delivering to the Broker Member a signed written notice to this effect.
- (b) In giving instructions, the Client may give the Broker Member discretion with regard to the timing and/or the price at which such instructions are to be executed. In such cases the Broker Member shall, subject to Section 14, not be liable for the results of the discretion exercised by the Broker Member provided such Broker has not been negligent.
- (c) Once given, instructions may only be withdrawn or amended with the Broker Member's consent.

4.2 **Acceptance of orders**

The Broker Member shall have the discretion, to be exercised reasonably, to refuse to accept instructions to enter into a Transaction and/or to refuse to comply with any direction from the Client, provided it informs the Client promptly of such decision and in any event not later than two business hours from receipt of instructions.

4.3 *Exercise of options*

- (a) The Client acknowledges that: (i) the DGCX and DCCC have established exercise cut-off times ("**DGCX/DCCC Cut-Off Times**") for the submission of exercise instructions in relation to options; and (ii) the Broker Member may set its own exercise cut-off times (a "**Broker Member Cut-Off Time**") which may be earlier than the DGCX/DCCC Cut-Off Times.
- (b) The Client agrees that, in respect of any option which remains open and is in-the-money at the DGCX/DCCC Cut-Off Times, the Broker Member will, at such time, automatically exercise such option for the account of the Client unless it has received from the Client, by the Broker Member Cut-Off Time, instructions to refrain from exercising the option (and, for the purposes of this paragraph (b), where, in respect of such option, the Broker Member has not set its own exercise cut-off time, the Broker Member Cut-Off Time shall be deemed to be the DGCX/DCCC Cut-Off Times).
- (c) The Client agrees that, in respect of any option which remains open and is at-the-money or out-of-the-money at the DGCX/DCCC Cut-Off Times, the Broker Member will not exercise such option unless it has received from the Client, by the Broker Member Cut-Off Time, instructions to exercise the option (and, for the purposes of this paragraph (c), where, in respect of such option, the Broker Member has not set its own exercise cut-off time, the Broker Member Cut-Off Time shall be deemed to be the DGCX/DCCC Cut-Off Time).
- (d) The Client understands that all short option positions are subject to assignment at any time at the discretion of DGCX/DCCC, including positions established on the same day that exercises are assigned.
- (e) The Client acknowledges and agrees that it is the Client's responsibility to make itself aware of any exercise cut-off time set by the Broker Member or the DGCX/DCCC in respect of an option and that the Client shall not have any claim against the Broker Member arising from the exercise or non-exercise of an option, save in circumstances where the Broker Member has failed to act in accordance with the Client's instructions to exercise or, as the case may be, refrain from exercising an option where such instructions have been duly given in accordance with the time limits specified in paragraphs (b) or, as the case may be, (c) above.

4.4 *Deposit*

The Client must deposit sufficient funds and/or the necessary documents for exercise of an option by any time specified by the Broker Member, and if none, prior to the close of the relevant market on the day of exercise.

4.5 *Prompt delivery*

The Client will promptly deliver any instructions, money, documents or commodity deliverable under a Transaction in accordance with that Transaction as modified by any provision of this Agreement or by any instructions given by the Broker Member for the purpose of enabling the Broker Member to perform any obligations it may have under a relevant matching Transaction on the DGCX or with a Clearing Member. Without prejudice to any of the Broker Member's other rights under this Agreement, if the Client fails to comply with any obligation under this Section 4.4, the Broker Member will be entitled, in its absolute discretion, to close out all or any of the Client's Transactions.

4.6 *Confirmations*

All confirmations of trades, statements of account, margin calls and any other notices shall be sent by the Broker Member to the Client promptly and within any period of time stipulated by the Applicable Regulations and, except as otherwise provided in this Agreement, shall be conclusive and binding on the Client unless: (a) the Client objects to it in writing within two (2) Business Days ("**Business Day**" as defined in the DGCX By-Laws) from the date on which such notice is sent to it; or (b) the Broker Member at any time notifies the Client of an error in such notice.

4.7 *Notices*



Unless the Broker Member and the Client otherwise agree, all notices, instructions and other communications to be given by either party under this Agreement or any Transaction (a) to the Client, shall be given to the address, facsimile number (confirmed if requested) and to the individual specified on the front page of this Agreement or as subsequently specified by notice in writing from the Client to the Broker Member; and (b) to the Broker Member, shall be given to the address, facsimile number (confirmed if requested) and to the individual specified by notice in writing from the Broker Member to the Client. Unless otherwise specified therein, the relevant notice, instruction or communication, shall be effective upon receipt. Notices, instructions and other communications made pursuant to this Agreement or any Transaction shall not be effective if given by electronic mail.

5. Protection and Confidentiality of Client Information

The Broker Member shall keep confidential the details or patterns of trading undertaken by the Client as if such information were that of the Broker Member. The Client may expressly consent in writing to the Broker Member sharing such information, other than to regulatory, statutory or governmental authorities, but such passing of information shall not be done otherwise.

6. Fees

6.1 Fees

The Client agrees to pay to the Broker Member on demand:

- (a) brokerage and commission as set out in Schedule 1 (*Fees and Charges*) as amended from time to time;
- (b) premiums on any option purchased by the Broker Member on the Client's instructions;
- (c) such sums as the Broker Member may at any time require in or towards satisfaction of any debit balance on any of the Client's accounts with the Broker Member;
- (d) the amount of any trading loss that may result from a Transaction governed by this Agreement executed by the Broker Member;
- (e) where the Broker Member is not a Clearing Member and uses such Clearing Member to clear a Transaction, any sums required to reimburse the Broker Member for any fees paid to a Clearing Member; and
- (f) interest and service charges on any debit balances in the Client's account with the Broker Member at the rates agreed from time to time by the Broker Member and the Client, together with the Broker Member's costs and reasonable legal fees incurred in collecting any such deficit.

1.2 Payment

All payments to the Broker Member shall be made in same day (or immediately available) and freely transferable funds in such Currency and to such bank as the Broker Member may from time to time specify. All such payments shall be made by the Client without any deduction or withholding.

7. Representations and Warranties

The Client represents and warrants to the Broker Member as at the date of this Agreement and each time it enters into a Transaction that:

- (a) it has, and will have, the power and authority to enter into, exercise its rights and perform or comply with its obligations under this Agreement and each Transaction and has, and will have, taken all necessary action to authorize such exercise, performance and execution of this Agreement and any other documentation relating to this Agreement to which the Client is a party;
- (b) its obligations under this Agreement are valid, binding and enforceable and do not and will not violate the terms of any regulation, order, charge or agreement by which the Client is bound;

- (c) any financial statement and any other information furnished at any time by or on behalf of the Client to the Broker Member is true and correct to the best of the Client's knowledge and not misleading in any material respect and the Broker Member shall be entitled to rely on any such financial statement and information;
- (d) it has obtained all consents, licenses and authorizations required: (i) to enable the Client to enter into, exercise its respective rights and perform and comply with its respective obligations under this Agreement and each Transaction; and (ii) to ensure that those obligations are valid, binding and enforceable, and that it will maintain in full force and effect all such consents, licences and authorizations;
- (e) no Event of Default (as defined in Section 10.1) or Potential Event of Default (where "**Potential Event of Default**" means any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination of the above) an Event of Default) has occurred and is continuing with respect to the Client;
- (f) it owns, with full title guarantee, all margin and collateral deposited with or transferred to the Broker Member (including any Transaction) free and clear of any prior security interest whatsoever other than a lien routinely imposed on all securities in a clearing system in which such securities are held; and
- (g) it is aware that in the event a Transaction is not closed-out, the delivery obligations under such Transaction will have to be complied with in accordance with the terms of the Transaction, any Applicable Regulations and this Agreement.

The Client will promptly notify the Broker Member in writing if any of the above representations and warranties shall materially change or cease to be true and correct.

8. Margin Requirement

8.1 *Margin Payments*

The Client agrees to pay to the Broker Member from time to time on demand by way of margin such sums and in such form as the Broker Member may in its discretion reasonably require. Such margin requirements established by the Broker Member may exceed the margin required of the Broker Member by the DGCX or DCCC or the Clearing Member.

8.2 *Supplemental Margin*

The Client will be required to supplement the margin at any time when the Client's account with the Broker Member shows a debit balance or an increase in the Client's margin requirement.

8.3 *Application of Margin*

All margin in the form of cash shall be held for the following purposes:

- (i) for application in respect of any margin paid by the Broker Member to the DCCC or a Clearing Member;
- (ii) to apply in or towards satisfaction of, or in reimbursement to the Broker Member of, all costs, damages, losses, liabilities and expenses incurred under or in respect of all and any Transactions and all liabilities and expenses (including dealing turns, charges and taxes) incurred as a result of the performance by the Broker Member of its duties or the exercise by the Broker Member of its rights, powers and/or privileges under this Agreement (irrespective of the denominated Currency), other than where such costs, charges, losses, liabilities and expenses are directly incurred as a result of the default, negligence, willful misconduct or fraud of a Clearing Member selected by the Broker Member or the default of a Clearing Member selected by the Broker Member.

Subject to the Broker Member being satisfied that all such costs, damages, losses, liabilities and expenses attributable to any Transaction have been satisfied, discharged or otherwise released and subject always to the Broker Member's rights under Sections 11 and 12, the Broker Member will repay to the Client any surplus which is, in the Broker Member's reasonable opinion, attributable to such Transaction.



8.4 *Failure to pay Margin*

Failure by the Client to meet a call for margin may give rise to default action being taken by the Broker Member under Section 10 (or by the DGCX or DCCC or the Clearing Member) which may include the closing out of all or some of the Client's open positions.

9. **Treatment of Client Monies**

9.1 *Use of Client funds*

The Broker Member will not pass any money belonging to the Client to the DGCX, Clearing Member or DCCC but may use such money to off-set, at any time, any amounts owed to it by the Client under the terms of this Agreement or any Transaction entered into hereunder.

9.2 *Segregation and Application of Client funds*

All monies, securities or collateral ("**assets**") held for the Client by the Broker Member shall be segregated as required by DGCX By-Laws. The Broker Member may not pledge, re-pledge, hypothecate, re-hypothecate or invest, either separately or with the assets of other customers, any assets held by the Broker Member for the accounts of the Client.

9.3 *Pay-out*

The pay-out of monies to the Client shall be made in accordance with the Applicable Regulations, however the Broker Member and the Client may agree from time to time on the provision of periodical margins to address operational and practical constraints.

10. **Liquidation**

For the purposes of this clause "**Proceedings**" means any suit, action or other proceedings relating to this Agreement (including any Transaction governed by this Agreement) and "**Indebtedness**" includes any obligation (whether present or future, actual or contingent, as principal or surety or otherwise) for the payment or repayment of money.

For the purposes of clauses 10 and 11, "**Liquidation Date**" means a day on which the Broker Member commences the termination and liquidation of Transactions or such a termination and liquidation commences automatically.

10.1 *Events of Default*

It is an Event of Default (an "**Event of Default**") if at any time:

- (i) in the case of a corporation, any of events (a) to (j) below occur; and
 - (ii) in the case of an individual, any of events (a), (b), (e) or (g) to (k) below occur.
- (a) the Client fails to deposit or maintain margin or make payment of any other amount due or make or take delivery of any commodity when due under this Agreement or any Transaction or the Client's account incurs a debit balance beyond any amount agreed to by the Broker Member;
 - (b) the Client fails to observe or perform any of the Client's obligations under the terms of this Agreement or any Transaction and/or the Terms and Conditions;
 - (c) the Client commences a voluntary case or other procedure seeking or proposing liquidation, reorganization, an arrangement or composition, a freeze or moratorium or other similar relief with respect to the Client or its debts under any bankruptcy, insolvency, regulatory, supervisory or similar

- law (including any corporate or other law with potential application to the Client, if insolvent) , or seeking the appointment of a receiver, liquidator, conservator, administrator, custodian, examiner, trustee or other similar official (each a "**Custodian**") of the Client or any part of the Client's assets; or if the Client takes any corporate action to authorize any of the foregoing; and, in the case of a reorganization, arrangement or composition, the Broker Member does not consent to the proposals;
- (d) an involuntary case or other procedure is commenced against the Client seeking or proposing reorganization, or an administration order, liquidation, an arrangement or composition, a freeze or moratorium or other similar relief with respect to the Client or its debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to the Client if insolvent) or for the appointment of a Custodian of the Client or any part of its assets;
 - (e) the Client is unable to pay its debts as they fall due or is bankrupt or insolvent, as defined under any bankruptcy or insolvency law applicable to the Client; or any Indebtedness of the Client is not paid on the due date or becomes capable at any time of being declared due and payable under agreements or instruments evidencing such Indebtedness before it would otherwise have been due and payable, or Proceedings are commenced for any execution, any attachment or garnishment, or any distress against, or an encumbrance takes possession of, the whole or any part of the Client's assets, undertaking or assets (tangible and intangible) or, in the case of an individual, the Client has a bankruptcy petition presented against him which is not dismissed, discharged, stayed or restrained within 30 days of the petition;
 - (f) the Client is dissolved, or, if its existence is dependent upon a form of registration, such a registration is removed or ends, or any procedure is commenced seeking or proposing its dissolution or the removal or ending of such a registration;
 - (g) the Broker Member considers it necessary or desirable for its own protection or to prevent (what the Broker Member may in its absolute discretion consider to be) a violation of any applicable law, regulation or good standards of market practice;
 - (h) any representation or warranty made or given or deemed made or given by the Client under this Agreement or any Transaction proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given;
 - (i) any action is taken or event occurs which the Broker Member considers might have a material adverse effect upon the Client's ability to perform any of its obligations under this Agreement or any Transaction; or
 - (j) there occurs or exists (1) an event as described in sub-paragraphs (a) – (i) (if the Client is a corporation) or (a), (b), (e) or (g) to (i) (if the Client is an individual) above under one or more agreements or instruments entered into by the Client with any party (including the Broker Member) ("**Other Agreement**"), or (2) there occurs or exists an event which constitutes an event of default (howsoever defined or described) under any Other Agreement; or
 - (k) if the Client is an individual, the death of the Client or the Client being declared by a court order to have limited or no legal capacity or any other event having a similar effect.

Without prejudice to the Broker Member's rights in this Section 10 the Client shall give the Broker Member notice as soon as it becomes aware of the occurrence of any of the events referred to above.

10.2 *Default Action*

If an Event of Default occurs in respect of the Client, the Broker Member may exercise its rights under Section 10.3, except that in the case of the occurrence of any Event of Default specified in Section 10.1(c) or 10.1(d), the provisions of Section 10.4 shall apply.

10.3 *Termination on Notice*

Subject to Section 10.4, at any time following the occurrence of an Event of Default, the Broker Member may, by notice to the Client, specify a Liquidation Date for the termination and liquidation of Transactions in accordance with the provisions of Section 10.5.



10.4 *Automatic Termination*

The date of the occurrence of an Event of Default specified in Section 10.1(c) or 10.1(d) shall automatically constitute a Liquidation Date, without the need for any notice by the Broker Member and the provisions of Section 10.5 shall then apply.

10.5 *Calculation of Liquidation Amount*

Upon the occurrence of a Liquidation Date:

- (a) neither the Broker Member nor the Client shall be obliged to make any further payments or deliveries under any Transaction which would, but for this Section, have fallen due for performance on or after the Liquidation Date and such obligations shall be satisfied by settlement (whether by payment, set-off or otherwise) of the Liquidation Amount;
- (b) the Broker Member shall (on, or as soon as reasonably practicable after, the Liquidation Date) determine (discounting if appropriate), in respect of each Transaction referred to in Section 10.5(a), its total cost, loss or, as the case may be, gain, in each case expressed in US Dollars (and, if appropriate, including any loss of bargain, cost of funding or, without duplication, cost, loss or, as the case may be, gain as a result of the termination, liquidation, obtaining, performing or re-establishing of any hedge or related trading position) as a result of the termination, pursuant to this Agreement, of each payment or delivery which would otherwise have been required to be made under such Transaction (assuming satisfaction of each applicable condition precedent and having due regard, if appropriate, to such market quotations published on, or official settlement prices set by the DGCX as may be available on, or immediately preceding, the date of calculation); and
- (c) the Broker Member shall treat each cost or loss to it, determined as above, as a positive amount and each gain by the Broker Member, so determined, as a negative amount and aggregate all of such amounts to produce a single, net positive or negative amount, denominated in US Dollars (the "**Liquidation Amount**").

10.6 *Payer*

If the Liquidation Amount determined pursuant to Section 10.5 is a positive amount, the Client shall pay it to the Broker Member and if it is a negative amount, the Broker Member shall pay such amount to the Client. The Broker Member shall notify the Client of the Liquidation Amount, and by whom it is payable, immediately after the calculation of such amount.

10.7 *Payment*

The amount payable by either party to the other pursuant to the provisions of Section 10.6 or any Applicable Regulation shall be paid in US Dollars by the close of business on the Business Day following the completion of the termination and liquidation under Section 10.5, or any laws or regulations having a similar effect. Any such amount which is not paid on the due date shall bear interest at such reasonable rate as the Broker Member may select.

10.8 *Base Currency*

For the purposes of any calculation made under this Agreement, the Broker Member may convert amounts denominated in any other Currency into US Dollars at such rate prevailing at the time of the calculation as the Broker Member shall reasonably select.

10.9 *Termination Rights*



At any time following the occurrence of an Event of Default, the Broker Member shall be entitled at its sole discretion to take one or more of the following actions:

- (a) liquidate, sell or close out any or all of the Transactions, open positions, cash, securities and other assets in the Client's accounts;
- (b) hedge and/or offset such Transactions, open positions, cash, securities and other assets in the cash or other market, including a related but separate market;
- (c) cancel any open orders for the purchase of any Transactions;
- (d) borrow and/or buy any commodity required to make delivery against any sales, including short sales, effected for the Client; or
- (e) exercise any or all option contracts to which the Client is a party.

10.10 *Additional Rights*

The rights under this Section 10 shall be in addition to, and not in limitation or exclusion of, any set-off and other rights, which the Broker Member may have (whether by agreement, operation of law or otherwise).

11. **Set-off**

11.1 *Set-off and other rights*

In addition and without prejudice to any other rights to which the Broker Member may be entitled under this Agreement or any applicable law, the Broker Member shall be entitled at any time at its discretion and without notice to the Client to debit any sums due to the Broker Member under this Agreement (including any Transaction) to any of the Client's accounts and sub-accounts and which are held in the books of the Broker Member, to convert any sums at such current rate as the Broker Member considers appropriate into such currencies as the Broker Member may consider appropriate, and to merge, consolidate or combine all or any such accounts and sub-accounts and set off any amount (whether actual or contingent, present or future and including, if applicable and without limitation, the Liquidation Amount and any amount due and payable before the Liquidation Date but remaining unpaid) at any time owing by the Broker Member to the Client or standing to the credit of the Client on any account against any amount (whether actual or contingent, present or future and including, if applicable and without limitation, the Liquidation Amount and any amount due and payable before the Liquidation Date but remaining unpaid) owing by the Client to the Broker Member and any security given to the Broker Member by or in respect of the Client for any purpose shall extend to any amount owing from the Client after such exercise of such right of set-off. Within a reasonable time after any such transfer the Broker Member shall confirm the transfer in writing to the Client.

11.2 *Currency Indemnity*

If the Broker Member receives or recovers any amount in respect of an obligation of the Client in a Currency other than that in which such amount was payable, whether pursuant to a judgment of any court or otherwise, the Client shall indemnify the Broker Member and hold the Broker Member harmless from and against any cost (including cost of conversion) and loss suffered by the Broker Member as a result of receiving such amount in a Currency other than the Currency in which it was due.

12. **Delivery**

- 12.1 The Client must perform any delivery obligations under any Transaction entered into by the Broker Member on the instructions of the Client. If the Client fails to deliver the relevant commodity by the date specified by the Broker Member, the Broker Member shall take such action as it deems necessary or desirable, including, without limitation, closing the Client's deliverable position(s).

12.2 *Indemnity*

The Client shall indemnify the Broker Member and keep the Broker Member fully indemnified in accordance with Section 14.3 in respect of any action taken by the Broker Member under Section 12.1 or in respect of any costs, losses and damages (including consequential costs, losses, penalties, fines and damages) which the Broker Member may sustain from the Broker Member's inability to borrow or buy any such commodity.

13. **Foreign Currency Transactions**

If the Broker Member enters into a Transaction which is effected in a Currency ("**foreign Currency**") other than the Currency provided by the Client to the Broker Member then, any profit or loss arising from a fluctuation in the exchange rate affecting the foreign Currency will be for the Client's account and risk. Unless the Client gives the Broker Member specific written instruction to the contrary, upon liquidation of such Transaction the Broker Member shall, at its option, debit or credit the Client's account, in such foreign Currency or other Currency as the Broker Member shall reasonably select at the rate prevailing at the time of the liquidation.

14. **Liability, Limitation and Indemnity**

14.1 *Liability*

The Broker Member shall have no responsibility for compliance by the Client with any law or regulation governing the Client's conduct as a fiduciary, if applicable. Neither the Broker Member nor its directors, officers or employees shall be liable to the Client for any direct or indirect losses, consequential damages (including without limitation special damages), costs or expenses incurred or suffered by the Client under this Agreement (or any Transaction) unless arising directly from the Broker Member's negligence, willful misconduct or fraud or from the negligence, willful misconduct or fraud of a Clearing Member selected by the Broker Member or the default of a Clearing Member selected by the Broker Member.

14.2 *Electronic Trading Liability*

The Broker Member shall not be liable to the Client for loss (including any indirect or consequential loss including, without limitation, loss of profit), damages, injury or delay, whether direct or indirect due to any action or inaction of the DGCX or DCCC, their officers, employees, agents or representatives with regard to an electronic trading or order routing system or as a result of system or component failure.

14.3 *Force Majeure*

Without limiting the generality of the foregoing, the Broker Member shall not be liable for any partial or non-performance of the Broker Member's obligations hereunder by reason of any cause beyond the Broker Member's control and provided that the Broker Member has not acted negligently or in bad faith.

14.4 *Indemnity*

The Client shall pay to the Broker Member on demand such sums as the Broker Member may at any time require in or towards satisfaction of any debit balance on any of the Client's accounts with the Broker Member. The Client shall indemnify and keep the Broker Member fully indemnified against any liabilities, costs or expenses, (including legal fees), taxes, imposts and levies which the Broker Member may incur or be subjected to either directly or indirectly in connection with or as a result of any service provided or action taken with respect to any of the Client's accounts or any Transaction governed by this Agreement or any matching Transaction on the DGCX or with a Clearing Member or as a result of any misrepresentation by the Client or any violation by the Client of its obligations under this Agreement (including any Transaction)



or by the enforcement of the Broker Member's rights, or if the Broker Member is precluded by the DGCX or DCCC or governmental or regulatory authority or agency from taking action under this Agreement, except to the extent that such liabilities are due directly to the Broker Member's negligence, wilful misconduct or fraud or to the negligence, wilful misconduct or fraud of a Clearing Member selected by the Broker Member or the default of a Clearing Member selected by the Broker Member [which is not directly or indirectly caused by the default of the DGCX].

15. Default of a Broker Member on his own account

- 15.1 The Broker Member may not utilize the Client's money to meet its own liabilities towards any party including DGCX and DCCC.
- 15.2 The Broker Member shall indemnify the Client against any losses caused to the Client and resulting from such utilization of the Client's money to meet the Broker Member's liability.

16. Objections and Complaints

Where a Client has a complaint or objection about the action or inaction of a Broker Member or there is a disagreement between the parties where the Client wishes to refer the matter to DGCX, the Client shall in the first instance contact the Compliance Department of the DGCX. If, after notifying the DGCX Compliance Department and after a reasonable period of time there has not been a satisfactory resolution, the Client may contact the Executive Director of SCA for further consideration of this matter. The Client's statutory right to grievance procedure channels is not affected by this Clause 16.

17. Term and Termination

- 17.1 This Agreement commences on the date set out above, or on such other date as agreed in writing between the parties

17.2 *Method of Termination*

This Agreement, and the relationship between the Client and the Broker Member, may be terminated by either party by prior written notice in accordance with the Terms and Conditions. Termination shall be effective upon receipt by the other party of such notice.

17.3 *Existing Rights*

Termination will not affect any outstanding rights and obligations under this Agreement or any Transaction and such rights and obligations shall continue to be governed by this Agreement and the particular terms agreed between the Broker Member and the Client in relation to such Transactions until all obligations have been fully performed.

17.4 *Payments*

The Broker Member may require the Client to pay any amounts arising under this Agreement that may have accrued up to and including the date of termination and any charges for transferring the Client's positions.

18. General

18.1 *Amendment*



This Agreement may only be amended upon the prior written consent of both the Broker Member and the Client, provided that the Broker Member may amend this Agreement by notice in writing to the Client where the Broker Member considers that amendment is necessary to comply with Applicable Regulations, DGCX or DCCC rules or requirements of any other competent body. In the case of an amendment with the prior consent of both the Broker Member and the Client, such amendment shall become effective on the date agreed between the Broker Member and the Client. In the case of an amendment by notice in writing to the Client from the Broker Member, such amendment shall become effective on the date specified in the notice.

18.2 ***Benefit of Agreement***

This Agreement and any Transaction shall be for the benefit of and binding upon both the Broker Member and the Client and their respective successors and assigns, whether by merger, consolidation or otherwise.

18.3 ***Consent to Assignment***

The Client shall not be entitled to assign, charge, transfer or part with any interest in or right under this Agreement or any margin provided by the Client without the Broker Member's prior written consent and no such interest or right shall be capable of assignment. Any purported assignment, charge or transfer in violation of this term shall be void.

18.4 ***Time of the Essence***

In respect of the Client's obligations under this Agreement and any Transaction time shall be of the essence.

18.5 ***Terms and Conditions***

This Agreement is supplemental to the Terms and Conditions and references in the Terms and Conditions to "Terms" shall be construed as if they included references to the provisions of this Agreement. To the extent that there is any conflict between the terms of this Agreement and the Terms and Conditions, the terms of this Agreement shall prevail.

18.6 ***Invalidity***

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining terms of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

18.7 ***Single Agreement***

This Agreement, the particular terms of, and applicable to, each and every Transaction shall together constitute a single agreement between the Broker Member and the Client. The Broker Member and the Client both acknowledge that all Transactions which are entered into on or after the date this Agreement takes effect are entered into in reliance upon the fact that all such items constitute a single agreement between the Broker Member and the Client.

18.8 ***Rights and Remedies***

The rights and remedies of the Broker Member and the Client under this Agreement and any Transaction shall be cumulative and not exclusive of those provided by law and the exercise or waiver of any right or remedy shall not preclude or inhibit the exercise of any additional rights and remedies. The Broker Member shall be under no obligation to exercise any right or remedy either at all or in a manner or at a time beneficial



to the Client. The Broker Member may waive any right, power or privilege under this Agreement (and any Transaction) only by (and to the extent of) an express statement in writing. No failure by the Broker Member to exercise or delay in exercising any of the Broker Member’s rights under this Agreement (and any Transaction) or otherwise shall operate as a waiver of those or any other rights or remedies.

18.9 Third Party Rights

Save as provided in this Clause, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

19 Dispute resolution and arbitration

- (a) The parties hereto agree to negotiate in good faith to resolve any dispute arising between them under or in connection with this Agreement. If any dispute continues unresolved it shall be referred to arbitration in Dubai under the auspices and in accordance with the Rules of Arbitration of the Dubai International Arbitration Centre (the “**DIAC Rules**”), the DIAC Rules being incorporated into this clause by reference.
- (b) The number of arbitrators shall be three. Each party shall appoint one arbitrator of its choice from the list of arbitrators maintained by the DGCX. The two arbitrators shall within one week of the appointment of the second arbitrator appoint a third arbitrator.
- (c) The arbitration shall be conducted in English.
- (d) In the event of any inconsistency between the DIAC Rules and applicable law and procedure in the Emirate of Dubai, the inconsistency shall be resolved by reference to applicable law and procedure in the Emirate of Dubai.

20. Governing Law

The laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates shall govern all disputes arising under this Agreement.

EXECUTED by the parties/their duly authorized representatives.

Names:

.....
EARNEX DMCC	Client*

.....
Signature EARNEX Representative	Signature Client



Witnesses:

1.

2.

Name:

Name:

Address:

Address:

.....

.....

.....

.....

Signature:

Signature:

**Please note, where the Account is a joint account, each and every joint account holder must sign this Agreement.*



Schedule 1 – Fees and Charges

Brokerage fees charged for the trades done on the Dubai Gold and Commodities Exchange through EARNEX DMCC for (the “Client”) shall be charged as follows:

Day Trades: US\$ inclusive of regulatory charges YES NO

(For Each Side of contract)

Regular Trades: US\$ inclusive of regulatory charges YES NO

(For Each Side of contract)

Delivery (per Contract): US\$ inclusive of regulatory charges YES NO

Minimum Number of contracts of delivery:

Additional charges for delivery:..... (transportation, vault charges, storages or any other charges will be charged at actual).

Other Conditions:

- Brokerage shall be charged and payable on the day on which the relevant purchases or sales trades are made
- These brokerage rates are valid from/...../..... (DD/MM/YYYY)
- The Client understands and accepts the brokerage charges as set out above.

Please sign all pages of this document to indicate that you have read and understood its contents.

For and on behalf of EARNEX DMCC

Signed :

Name :

Date :

Client*

Signed : Signed :

Name : Name :

Date : Date :



**Please note, where the Account is a joint account, each and every joint account holder must sign this letter.*

EARNEX DMCC

Risk Disclosure Statement

Introduction

1. Trading in commodity futures and options involves considerable financial risk. This brief statement has been approved by DGCX and is provided to clients of DGCX Broker Members to present an overview of the risks. It does not disclose all the risks or other significant aspects of trading commodities futures and options on DGCX. Useful educational material that deals with many of these issues is available from DGCX. You are requested to read this statement, and sign the attached acknowledgement and return it to the Broker Member through whom you propose to trade on DGCX.
2. Trading in commodities futures and options is not suitable for many members of the public. Before you sign a Client Agreement with your broker and commence trading on DGCX you should consider carefully whether trading in commodity futures or options is appropriate for you (or your company), in light of your experience, objectives and financial resources. In doing so you should obtain a clear understanding of the nature of the contracts (and contractual relationships) into which you will be entering.

Commodity Futures

3. Margin Trading and the Effect of “Leverage” or “Gearing”

The amount of initial margin that you are required to deposit before trading on DGCX represents a relatively small proportion of the value of the futures contract. Accordingly, futures transactions are “leveraged” or “geared” and an apparently small movement in the commodity price may have large impact on the funds you have deposited or will have to deposit. While this leveraging may work in your favour if you correctly anticipated the direction of a price movement, it can equally work against you in the converse scenario. The risk/return profile of the ‘leveraging effect’ facilitates potentially large profits but also, large losses.

4. If the market moves against your position or if initial margin requirements are increased by DGCX because of increased market volatility, you may be called upon by your broker to pay additional funds at short notice in order to maintain your position. Even if you are subject to foreign exchange control rules, it is still your responsibility to ensure that you are able to meet any margin calls that may be made by your Broker. If you fail to comply with such a request, your position may be liquidated at a loss and you will be liable for any resulting deficit.

5. Loss-limiting Orders or Strategies

Placing orders, such as a “stop-loss” order, intended to limit losses to a predetermined amount, may not achieve their purpose because market conditions, such as high volatility or lack of liquidity, may make it impossible for your order to be executed. Strategies using “spread” positions (such as “long” and “short” in different delivery months for a commodity, or in different, but related, commodities) may be at least as risky as outright “long” or “short” positions

Commodity Options

6. Options on Futures



Options traded on DGCX are “Options on Futures” which means that, upon exercise by the buyer, both the buyer and seller of the option acquire a position in the underlying DGCX commodity futures contract. This will entail the risks and liabilities for margin described in Paragraphs 3 & 4 above.

7. General Risks

Aside from the risks upon exercise described in Paragraph 6, options transactions may carry a high degree of risk. Both buyers and sellers of options should be sure that they understand the nature of the option contract (“put” or “call”) that they propose to trade and the associated risk/return profiles in different market scenarios. When buying an option you should calculate the extent to which the value of an option contract must increase for your position to be profitable, taking into account the price of the option (the “premium”) and all transaction costs.

8. Buying Options

A buyer of an option contract may “close out” the position by entering into an equal and opposite position in the same option series. Alternatively, he may allow the option to expire worthless or he may exercise the option (as to the last scenario, see Paragraph 6 above). If the option expires worthless the buyer will lose his total investment (the premium plus transaction costs).

9. Selling Options

Selling an option contract generally entails considerably greater risk than buying an option contract. Although the seller receives the option premium, he may incur a loss substantially greater than that amount (possibly unlimited) if the market moves unfavourably. At the same time, in this scenario, the seller is liable for additional (mark-to-market) margin and consequential liquidation of his position if a margin call is not met within the specified time. As noted in Paragraph 6 above, if the buyer exercises the option the seller will acquire a commodity futures contract with associated liabilities and risks.

Additional Risks Common to Both Futures and Options

10. Contract Terms and Conditions

You should ask your broker to provide you with information about the terms and conditions of the specific DGCX commodity futures or options contracts that you propose to trade and any associated obligations, such as the circumstances under which you may be obliged to make or receive delivery of the underlying commodity (especially were you to keep naked long or short open positions in a contract when it enters into the tender period) or, in the case of options, the declaration date.

11. Suspension or Restriction of Trading

Sometimes it may not be possible for an open futures or options position to be closed out, even at a loss. This may be due to market illiquidity or because of the operation of DGCX rules relating to limit moves or “circuit breakers”.

12. Electronic Trading

Trading on DGCX occurs on an electronic trading system. As a result you are exposed to risks associated with failure of hardware, software or communications systems. The result of any of these failures may be that your order is not executed in accordance with your instructions or, is not executed at all.

13. Deposited Cash or Collateral



DGCX rules oblige a Broker Member to provide some protections for cash and collateral deposited with the Broker. Nevertheless, particularly in the event of insolvency or bankruptcy these protections may not apply. In such cases the extent to which you may recover such cash or collateral will depend on relevant legislation in the jurisdiction in which you deal with the Broker. However, you will not have any direct recourse to DGCX for recovery in such circumstances.

14. Commissions and Other Charges

Before commencing to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will be payable regardless of the outcome of your trading, and will decrease your net profit or increase your loss.

15. Currency Risks

All futures and options contracts traded on DGCX are denominated in US dollars. If the asset base or income stream that you are using to support your DGCX trading is denominated in any other currency you effectively have an exposure to fluctuations in exchange rates.

16. Risk Disclosure Statement Acknowledgement

The undersigned hereby acknowledges that he/she/they have received a copy of the DGCX Risk Disclosure Statement and that they have read and understood it.

Client Signature*:

Print Name:

Client Signature:

Print Name:



Appendix A

EARNEX DMCC

Letter giving a third party authority to operate the Account

The Manager

EARNEX DMCC

P.O. Box. 121690,

Dubai, UAE.

Sub-Authority to Operate the Account

Dear Sirs,

The undersigned hereby authorizes with Passport/License No as the undersigned's agent and attorney-in-fact (the "**Advisor**") and revokes all and any prior powers of attorney relating to the undersigned's account with EARNEX DMCC ("**EARNEX DMCC**"), with full power and authority to enter into contracts for the purchase, receipt, sale (including short-sale) and delivery of, whether directly or indirectly through investments in managed investment products or otherwise, cash commodities, commodity futures, options and forward contracts thereon and interests therein (including, but not limited to, exchange-for-physical, exchange-for-swap, exchange-for-options and exchange-for-risk transactions), securities, foreign futures and options and foreign currencies (collectively "**Contracts**") on margin or otherwise, in one or more accounts (collectively the "**Account**") opened by and maintained with EARNEX DMCC and its affiliates in the undersigned's name and on the undersigned's behalf.

In all such transactions, including management decisions relating to the Account, EARNEX DMCC is hereby authorized to follow the instructions of the Advisor; the Advisor is authorized to act on behalf of the undersigned in the same manner and with the same force and effect as the undersigned might or could act with respect to such transactions and the making and taking of deliveries, as well as, and with respect to, all other things necessary or incidental to the furtherance and/or conduct of the Account.

EARNEX DMCC shall have no liability for following the instructions of the Advisor, including but not limited to, any instruction to aggregate (or bunch) orders of the undersigned with orders for or on behalf of the Advisor's other clients, and the undersigned shall never attempt to hold EARNEX DMCC liable for the Advisor's actions or inactions. The undersigned understands that EARNEX DMCC does not, by implication or otherwise, endorse the operating methods of the Advisor. The undersigned hereby releases EARNEX DMCC from all and any liability to the undersigned or to anyone claiming through the undersigned with respect to any damages, losses or lost profits sustained or alleged to have been sustained as a result of EARNEX DMCC following the Advisor's instructions or for any matter arising out of the relationship between the Advisor and the undersigned and shall, in addition to any other indemnity provided to EARNEX DMCC by the undersigned, indemnify EARNEX DMCC from any and all losses, damages, liabilities and expenses of any kind or nature whatsoever, arising therefrom. The undersigned also agrees



to hold EARNEX DMCC harmless and to indemnify it as to any expense, damage or liability (including legal fees) sustained by it and with respect to any and all acts and practices of the Advisor and attorney-in-fact regarding this Account, including all losses arising therefrom and debit balance(s) due thereof.

The authorization provided by this letter is a continuing one and shall remain in full force and effect until revoked by the undersigned, or by an authorized person on his/her/its behalf, by written notice given to EARNEX DMCC to the attention of the Compliance Department. Such revocation shall become effective only upon the actual receipt thereof by EARNEX DMCC but shall not affect any liability in any way resulting from transactions initiated prior to its receipt. This authorization shall inure to the benefit of EARNEX DMCC, its successors and assigns. The provisions contained herein shall be in addition to and in no way shall it limit or restrict any right that EARNEX DMCC may have under any agreement with the undersigned.

All statements, notices correspondence and the like generated in this Account shall be sent or given to the Advisor at the address shown for the Account and to the undersigned at the address indicated in the Client Profile documents, and to such other person or address as the undersigned may hereafter designate in writing.

The undersigned understands that there are many strategies that can be used in trading futures and options, some of which have unlimited risk of loss and could result in the undersigned sustaining a total loss of all funds in the Account and that the undersigned is liable for any deficit in the Account resulting therefrom.

Account Name:

Account Number:

Date:

Client Signature*:

Print Name:

Client Signature:

Print Name:



Additional Information/Continuation Sheet

Please provide details of any additional information or continuation of information.