

Authorized Introducing Broker Agreement

1. Parties to the Agreement.

This Authorized Introducing Broker Agreement (“Agreement”) is entered into between the Authorized Introducing Broker whose name and address appear at the end of this Agreement (“Authorized Introducing Broker”) and MF FINANCIAL LTD. (hereinafter referred to as “MFFX”). MFFX and Authorized Introducing Broker shall be sometimes referred to herein as the “Parties.”

2. Purpose of the Agreement.

The Agreement sets forth the terms and conditions of the relationship between Authorized Introducing Broker who will solicit customers to trade spot foreign exchange (hereinafter “FOREX”) in accordance with the laws of the jurisdiction from where the Authorized Introducing Broker operates and who will introduce said customers to MFFX.

3. Authorized Introducing Broker Authority.

MFFX will follow instructions of Authorized Introducing Broker regarding the spot FOREX trading accounts of Authorized Introducing Broker’s customers upon receipt of a duly completed and executed customer application and agreement. Authorized Introducing Broker is authorized to give instructions to MFFX regarding:

- 3.1. The purchase and sale of spot foreign currencies on behalf of its customers.
- 3.2. The transmission of customer instructions to and from MFFX.
- 3.3. Disbursement of funds related to the compensation paid to Authorized Introducing Broker.
- 3.4. Disbursement and allocation of funds held in Customers’ accounts at MFFX for the purpose of settling transactions.

4. Compliance.

Authorized Introducing Broker acknowledges that its principals have read and understand the MFFX Compliance Manual, which may be modified from time to time, and agrees to conduct its business in accordance with the policies and procedures contained therein.

4.1 All “Promotional Material” must be reviewed and approved by the MFFX Compliance Department prior to publication and distribution to prospective or existing customers.

4.2 Promotional Material is defined as any written communication with the public that relates in any way to the solicitation of (1) a prospective customer or (2) a transaction in an existing customer account.

4.3 Promotional Material includes all written material generated by MFFX or a MFFX Authorized Introducing Broker. Promotional material also includes published written texts, compliance or procedures memoranda or manuals, training materials, advertisements, research reports, correspondence to customers or prospective customers, as well as market analyses, newsletters and generally anything written that assists in the solicitation process.

4.4 Furthermore, Authorized Introducing Broker acknowledges that it is responsible for complying with all laws of its own jurisdiction pertaining to the management of the Authorized Introducing Broker. Authorized Introducing Broker also acknowledges responsibility for compliance with, among other things, local registration statutes, if applicable, tax and labor laws, safety in the work place regulations and anti-discrimination laws, and all other laws of its state and/or country of its domicile that are applicable to the business contemplated by this Agreement.

4.5 Authorized Introducing Broker acknowledges that it must adhere to the following admonitions:

- Authorized Introducing Broker may not accept funds from its customers but must direct customers to transmit or deposit funds directly into a special MFFX customer account that shall be designated as a customer account.

- Authorized Introducing Broker, unless licensed to do so by the laws and government of its domicile, may not solicit its customers to purchase or sell futures, options on futures or securities of any kind.

- Authorized Introducing Broker may not carry the spot FOREX accounts of its customers on its own books and records but must introduce each customer to MFFX who will carry each account on a fully disclosed basis.

5. Discretionary Authority.

Authorized Introducing Broker agrees that it will not accept discretionary authority from a customer, nor will it permit any of its employees or consultants to exercise discretionary authority over customers' accounts, without first obtaining a signed written power of attorney or trading authorization from the customer to be submitted to MFFX for approval. Further, Authorized Introducing Broker agrees that, absent a signed power of attorney or trading authorization, every action taken on behalf of customer accounts will be expressly authorized by customers and that authorizations to place orders will be electronically recorded prior to transmission to the MFFX trading department.

6. Authorized Introducing Broker Commissions.

At the request of Authorized Introducing Broker, MFFX may charge customers, introduced by Authorized Introducing Broker, round turn trading commissions in addition to market spreads. However, MFFX will determine, in its sole discretion, the maximum commission charge allowable on the initiation of each spot FOREX transaction. MFFX reserves the right to alter or amend its schedule of allowable commissions at any time upon written notice to the Authorized Introducing Broker.

7. Fees Paid to MFFX.

Authorized Introducing Broker shall be fully responsible for paying all legal fees to obtain a legal guidance/opinion letter, IF NECESSARY, from its own counsel in connection with commencing operations of Authorized Introducing Broker's business in its domicile. Authorized Introducing Broker will be responsible for all printing costs and translations, if required, for all MFFX customer agreement forms, brochures, order tickets, and other promotional material for distribution to prospective customers of Authorized Introducing

Broker, and all fees related to the revision of customer agreement forms, brochures and promotional material, IF NECESSARY to comply with the law in the Authorized Introducing Broker's domicile.

8. Other Authorized Introducing Broker Fees.

At the request of Authorized Introducing Broker, MFFX may quote a wider spread for certain core market currency pairs for customers of Authorized Introducing Broker.

9. Other Authorized Introducing Broker Activities.

Authorized Introducing Broker agrees that it will inform MFFX of any other business activities entered into by Authorized Introducing Broker during the term of this Agreement and will provide MFFX with information, as requested, regarding said activity.

10. Confidentiality.

Except as otherwise provided in this Agreement, or as the Parties may otherwise consent to in writing, the Parties will keep confidential and not disclose, or make any use of, except for the benefit of each other, at any time, either during or subsequent to the termination of this Agreement, any trade secrets, formulae, methods, techniques, confidential information, computations, knowledge, data or other information of either Party relating to software products, trading platforms, trade routing systems, counter parties, processes, know-how, marketing, merchandising, selling ideas, selling concepts or other confidential information, forecasts, marketing plans, strategies, pricing strategies, computer programs, copyrightable materials, finances or other subject matter pertaining to any of the Parties' business, or any of its clients, customers, consultants, suppliers or affiliates, which either Party may produce, use, view or otherwise acquire during the relationship created by this Agreement ("Proprietary Information").

10.1 The parties acknowledge that all software provided hereunder is mostly for the convenience of the parties to enhance the efficiency of executing FOREX transactions. In the event of any software or hardware failure, all such business will be transacted manually and by fax and/or telephone until the failure can be resolved.

10.2 The Parties acknowledge and agree that any Proprietary Information is given to the other Party in confidence, solely to permit the Parties to fulfill their obligations to each other pursuant to this Agreement, and that such information derives actual or potential economic value by virtue of its confidentiality and nondisclosure to the public or other persons who could obtain economic value from their disclosure or use. The Parties shall not, under any circumstances, deliver, reproduce or allow any Proprietary Information, or any documentation relating thereto, to be delivered to, or used by, any person or entity whatsoever without specific written consent of a duly authorized representative of the other Party.

11. Return of Proprietary Property and Proprietary Information.

In the event of the termination of this Agreement for any reason, the Parties will promptly surrender, and deliver to each other, Proprietary Property, including but not limited to, all materials, equipment, documents and data pertaining to their relationship with, or to any Proprietary Information of, the other Party, *including all copies thereof*. Upon termination of

this Agreement, for whatever reason, any information required to be kept by any applicable financial regulations pertaining to the spot FOREX business may be retained by either Party.

12. General Indemnification by Authorized Introducing Broker.

Subject to the terms of this Agreement, Authorized Introducing Broker agrees to forever indemnify and hold MFFX and its principals, shareholders, officers, directors, employees, agents and representatives harmless from and against any and all claims, damages, costs (including those stemming from regulators) involving Authorized Introducing Broker's activities or customers' accounts solicited by Authorized Introducing Broker including loss or losses and expenses (including attorneys' fees) that MFFX may sustain or become liable or answerable for or shall pay, as a result of any alleged act, practice, conduct or omission of Authorized Introducing Broker or its principals, shareholders, directors, officers, employees, agents or representatives.

13. General Indemnification by MFFX.

Subject to the terms of this Agreement, MFFX agrees to forever indemnify and hold Authorized Introducing Broker harmless from and against any and all claims, damages, costs (including those stemming from regulators) involving MFFX' activities including loss or losses and expenses (including attorneys' fees) that Authorized Introducing Broker may sustain or become liable or answerable for or shall pay as a result of any alleged act, practice, conduct or omission of MFFX or any of its principals, officers, shareholders, directors, employees, agents or representatives.

14. Right to Reject Customers.

MFFX reserves the right to reject any potential customer who does not meet its internal credit or suitability standards and Authorized Introducing Broker hereby agrees that all new account applications must be approved by MFFX in writing before trading is allowed to commence.

15. Customer Information.

Authorized Introducing Broker hereby agrees that its employees will use their best efforts in making an adequate inquiry so as to be thoroughly familiar with the customer's financial status and trading objectives and the other information contained on the customer's application. Authorized Introducing Broker hereby agrees to bring to the attention of MFFX anything that might adversely impact on the credit worthiness of any customer. Authorized Introducing Broker also agrees to update or revise any information contained on the customer's application as may be necessary from time to time and to comply with all applicable regulations including, but not limited to, anti-money laundering statutes, rules, regulations and interpretations as may be enacted from time to time by any applicable government agency.

16. Customers

All current and future customers introduced to MFFX by Authorized Introducing Broker shall remain the proprietary property of Authorized Introducing Broker and MFFX agrees not to contact or deal directly with said customers except for the limited purpose of providing confirmation and month end statements as well as notices required by regulatory authorities.

17. Record Keeping Compliance.

Authorized Introducing Broker shall maintain all records required by MFFX' compliance policies, which records shall be available for inspection by MFFX, upon reasonable notice.

18. Errors.

Daily account statements and/or equity runs will be provided via computer or facsimile directly to Authorized Introducing Broker by MFFX. Any errors or discrepancies in a trade or customer account must immediately be called to the attention of MFFX for correction and in all events within 14 days of the occurrence date. Failure to do so may result in a loss if the error is against the customer account.

19. Guarantees or Promises Against Loss are Prohibited.

Authorized Introducing Broker agrees that it will not in any way represent to any customer that Authorized Introducing Broker or MFFX will guarantee such customer against loss, limit the loss of such customer or not call for or attempt to collect required initial margin and maintenance margin as established by MFFX.

20. No Liability for Consequential Damages.

To the maximum extent permitted by applicable law, in no event shall MFFX or their affiliates, parent companies, employees, agents, attorneys, officers, managers, directors or suppliers, be liable for any special, incidental, indirect or consequential damages whatsoever (including, without limitation, damages for loss of business profits, business interruption, loss of business information, or any other pecuniary loss) arising out of the use of or inability to use any software provided by MFFX to Authorized Introducing Broker for its use in transacting business with MFFX, even if MFFX has been advised of the possibility of such damages.

21. Electronic Recordation.

MFFX may electronically record all customer spot FOREX orders, and authorizations to remit or transmit customer funds, by Authorized Introducing Broker and any other communications with Authorized Introducing Broker.

22. Entire Agreement

This Agreement constitutes the entire and whole agreement among its parties and is intended as a complete and exclusive statement of the terms of their agreement. This Agreement may be amended only upon execution of a subsequent agreement in writing. This Agreement shall supersede any oral representations between the parties. Compensation to Authorized Introducing Broker will be stated in the Addendum to Authorized Introducing Broker Agreement.

23. Waiver.

Failure to exercise or delay in exercising any right, power or remedy hereunder by MFFX shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, power or

remedy of MFFX hereunder preclude any other or future exercise thereof or the exercise of any other right, power or remedy.

24. Governing Law.

This Agreement is entered into in accordance with and shall be governed by the law of Belize; provided that if the Belize law shall dictate that the laws of another jurisdiction be applied in any proceeding, such law shall be superseded by this paragraph and the remaining Belize law shall nevertheless be applied in such proceeding.

25. Severability.

Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing the transactions hereunder, the latter shall prevail, but in such event the provision of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirement of the law. In the event that any part, paragraph, sentence or clause of the Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof, and the balance of the Agreement shall continue in full force and effect.

26. Notices.

All communications shall be sent to Authorized Introducing Broker at its address printed at the end of this Agreement and to MFFX. All communications given by MFFX to Authorized Introducing Broker by courier shall be effective 96 hours after date of shipment, or upon receipt, whichever is earlier; if hand delivered, when delivered to Authorized Introducing Broker's address; if telephonic, at the time of such telephone conversation; or if by facsimile transmission, upon receipt thereof.

27. Upon termination or cessation of this Agreement, all customers of Authorized Introducing Broker, as of the date of termination, remain clients of Authorized Introducing Broker. MFFX will not contact customers of Authorized Introducing Broker for the purpose of soliciting new business; however, MFFX reserves the right to contact said customers for the purpose of maintenance and/or closing their accounts.

28. Termination.

This Agreement may be terminated by Authorized Introducing Broker upon One Hundred and Twenty days written notice to MFFX. During the One Hundred and Twenty days period, Authorized Introducing Broker shall use its best efforts to assign all customers with open FOREX positions to another Forex dealer to accept orders from, and carry accounts for, customers who trade spot FOREX. All commissions due Authorized Introducing Broker as of the cessation of business shall be paid immediately upon clearance and settlement of all pending customer transactions.

MFFX may terminate this Agreement by written notice (setting forth the reasons for said termination) effective upon receipt by Authorized Introducing Broker under the following conditions:

- Authorized Introducing Broker, or its principals, directors, officers and managers are convicted of a crime or serious violation of law that bears on their honesty and integrity.
- MFFX determines, in its sole discretion, that Authorized Introducing Broker has committed acts that are inconsistent with (a) the provisions of the MFFX Compliance Manual, (b) the material provisions of this Agreement or (b) fair, just and equitable principles of trade.
- Authorized Introducing Broker does not meet either of the following:

maintains monthly trading volume with MFFX of ten million dollars (\$10,000,000) or

- (a) maintains a fifty thousands (\$50,000) average daily balance in all trading accounts combined on deposit with MFFX. Authorized Introducing Broker has a grace period of one year from the date of this agreement to achieve this amount.

Upon receipt of said written notice, Authorized Introducing Broker may not solicit additional business from its customers to initiate new spot FOREX positions but will be allowed only to liquidate existing open positions on behalf of its customers.

- In the event of receipt of written notice of termination pursuant to the terms of this Agreement, Authorized Introducing Broker shall be given a reasonable time to present a response to the notice. If an adequate response to the termination notice is not delivered to MFFX within ten days of receipt thereof, MFFX will commence liquidation of customer open spot FOREX positions or the reassignment and transfer of all customers of Authorized Introducing Broker to other service agents authorized by MFFX to represent in connection with the solicitation and acceptance of spot FOREX transactions with MFFX.

29. Alienation.

The rights granted hereunder to Authorized Introducing Broker are not assignable, and shall not be assigned, to any other party.

IN WITNESS WHEREOF the parties hereto have placed their respective hands and seals the day and year first before written.

Introducing Broker

MF FINANCIAL LTD.

By: _____

By: _____

Title: _____

Date: _____

Date: _____