

Afrotrade - July 2010 - 9663

SHARED TRADING CARRIES A HIGH LEVEL OF RISK TO YOUR CAPITAL AND MAY NOT BE SUITABLE FOR ALL INVESTORS, THEREFORE ENSURE YOU UNDERSTAND THE RISKS INVOLVED AND SEEK INDEPENDENT ADVICE IF NECESSARY.

1. INTRODUCTION

This section explains how this document is just one part of an agreement that governs your account.

1.1 Our agreement with you

1.1.1 This document (referred to as the “Terms”) is part of a wider agreement between you (also referred to as “our customer”, “your” and “yourself”) and Afrotrade (also referred to as “AfrotradeGroup”, “we”, “us” and “our”) in relation to the activities carried on through our Platform.

1.1.2 In these Terms certain words and expressions that begin with capital letters have the meanings set out in the relevant clause or paragraph in which they appear or at paragraph 1.1 of Schedule 2.

1.1.3 Our agreement with you consists of several documents and also certain key information that can be accessed through the website or the Platform, and specifically comprises:

- (a) these Terms (including the Schedules);
- (b) the Attributes for each AFROTRADE Product (which can be accessed through the Product Library within the Platform);
- (c) any application form that you submit to open an Account; and
- (d) any specific terms and conditions relating to our websites, which will be displayed on the relevant website,

which are together referred to as the “Agreement”.

1.1.4 There are additional documents and information available to you on our website and through the Platform that provide more details on us and our activities, but which are not part of the Agreement. These include:

- (a) our ‘Order Execution Policy Summary for ’, which explains certain aspects of how the Platform offers and deals with Buy and sell Orders;
- (b) our ‘Conflicts of Interest Policy Summary’, which explains how we handle conflicts of interests in a manner that treats our customers fairly;
- (c) our ‘Privacy and Security Policy’, which explains how we deal with personal information that you provide to us;
- (d) any instructions, guides and worked examples published or provided by us on how to Bet on our website and Platform; and
- (e) our ‘Risk Warning Notice for ’, which summarises the key risks involved in shares trading .

1.1.5 For your own benefit and protection, you should take sufficient time to read the relevant parts of the Agreement, as well as the additional documents and information available on our website and through the Platform, before you apply to open an Account and place any buy or sell with us. You should contact us to ask for further information or seek independent professional advice if you do not understand anything.

2. REGULATORY MATTERS

This section contains certain matters that we are required to disclose or explain to you.

2.1 Our regulatory status

2.1.1 Afrotrade currently has its registered office at 46 Parham Drive, Gant Hill, Ilford. Essex IG2 6NB, United Kingdom

2.2 Client categorisation

2.2.1 We treat you as a retail client for the purposes of Applicable Law. You have the right to request a different client categorisation. However, we only deal with retail clients in relation to our business.

2.3 Execution-only transaction

2.3.1 All transactions will be entered into through our Platform on a principal-to-principal and execution-only basis. This means that unless we agree otherwise in writing, neither you nor we can act as agent, attorney or representative for any other person in respect of a shares transaction.

2.3.2 We do not provide financial, legal or tax advice. Any information provided to you on our website, through the Platform, at any training events or otherwise is generic and must not be treated as advice that is suitable for you or is based on a consideration of your personal circumstances. Such information is provided merely to assist you in exercising your own judgment when transacting with us and we are not responsible for the decisions that you make. You may wish to obtain independent professional advice from a suitably qualified adviser on any financial, legal or tax matter before trading with us.

2.4 Complaints and disputes

2.4.1 You should contact us as soon as reasonably practicable if you want to raise a complaint or dispute preferably through the Live Help section of the Platform or by contacting our customer management team. If you wish to complain about or dispute the terms on which you entered into or closed, or the way the Platform handled a specific buy or sell, then you should notify us within five (5) Business Days of the relevant buy or sell. You should keep your own records of the dates and times of each buy or sell, as that will assist us in investigating such complaints or disputes.

2.4.2 We will investigate any complaint or dispute and notify you of the results of our investigation. We have complaints handling procedures designed to enable us to deal with complaints and disputes fairly and quickly, and you can contact us at any time for further information on these.

2.4.3 If you are dissatisfied with our handling or findings in relation to your complaint or dispute, you may refer the matter to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR (www.fos.org.uk) for further investigation.

2.5 Compensation

2.6 Order execution, conflicts of interest and risk warnings

2.6.1 Our Order Execution Policy Summary for, Conflicts of Interest Policy Summary and Risk Warning Notice for are displayed on our website and we will notify you of any material changes to these. We enter into all transactions with you as principal using prices generated by a third parties' platform, and so we and/or our Associates may profit only profit from commissions on these transactions. You agree that neither we nor our Associates are liable to account to you for such profits.

2.7 Duration of the Agreement and your rights to cancel

2.7.1 The Agreement will become legally binding between you and us on the date that we confirm in writing by email that we have accepted your application form to open an Account. Subject to clause 2.7.2, you may cancel the Agreement by giving us notice at accountclosure@afrotradegroup.com. Following a valid notice of cancellation, we will return any money that you have transferred to us except for the registration fees.

2.7.2 As the market values entered into on our Platform vary with fluctuations in the financial markets which affect the prices of the relevant AFROTRADE Products, which are outside of our control and which may occur during the fourteen (14) day initial cancellation period, you have no rights to cancel the Agreement if you have entered into any shares trading transaction before we receive your notice of cancellation. You may still close your Account in accordance with the Agreement.

2.7.3 If you do not exercise your right of cancellation under clause 2.7.1, the Agreement will continue in effect until either you or we terminate the Agreement by either you or us giving notice in writing in accordance with clause 9.5, or by us exercising any of our other rights to terminate the Agreement in certain circumstances under the Agreement.

3. ACCOUNTS

This section explains how Accounts are opened and operated.

3.1 Account opening process

3.1.1 When we receive an application form from you, we may use your information to make further enquiries about you. This may include obtaining references from your bank or your employer, and performing searches with credit reference agencies, the electoral register and other reputable sources. Our searches with credit reference agencies may appear on your credit history. We may also carry out certain additional checks to combat fraud, and you will need to co-operate with us and supply any information that we request promptly. We reserve the right to periodically review this information.

3.1.2 We may rely on the information that you provide us in the application form as being correct at any time, unless you notify us otherwise in writing.

3.1.3 If we accept your application form and open an Account for you, we will confirm this in writing by email and provide you with details on how to access your Account through the Platform.

3.2 Security and Account authentication

3.2.1 You are responsible for setting your own password and security phrase in accordance with the instructions that we will provide to you (which together with your user ID, Account Surname and password are known as your "Account Sign In Details").

3.2.2 You may need to change or reset your Account Sign In Details to protect yourself and us against fraud. You must notify us immediately if you know or suspect that any person has obtained (or is likely to obtain) your Account Sign In Details and/or has (or is likely to have) access to your Account without our approval.

3.2.3 It is your responsibility to keep all information that you hold relating to your Account, including your Account Sign In Details and e-mails and letters that we send to you, confidential at all times. We rely on this information being secure to protect you and us against fraud, as we will normally treat any person who accesses your Account using your Account Sign In Details as being you.

3.2.4 If you have not use your Account for a continuous period of one (1) year we may need to carry out additional checks on you before we allow you to access your Account or enter into another Bet.

4. SHARES TRADING ON THE PLATFORM

This section and Schedule 1 explain the basis on which you enter into and close shares on the Platform.

4.1 BUY AND SELL

4.1.1 Schedule 1 sets out certain key terms and conditions on how to place Orders to enter into trades, and how trades may be closed on the Platform. You should read this carefully, along with any relevant information on Attributes available through the Platform, before placing any Orders.

4.2 Accessing the Platform

4.2.1 We will do our best to make the Platform available when required by you, but we cannot promise that it will be available continuously. This is because from time to time:
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(a) errors and/or failure may occur in respect of technology, the internet may be subject to faults or events which may affect your access, and your systems, our systems or the systems of a third party you or we rely on may fail to work properly; and

(b) we may need to suspend availability of the Platform for maintenance, repairs, upgrades or any development-related issues. If this occurs during Trading Hours relevant to any of your transactions we will, where reasonably practicable, provide you with prior notice of such suspension and, if necessary, suggest alternative ways for you to access your Account.

4.2.2 You are responsible for making sure that you are able to access the Platform when you need to and it is available. This responsibility includes having access to a device that can connect to the Platform and maintaining the device so that it functions properly.

4.2.3 If you cannot access the Platform directly, then you may be able to contact our customer management team by telephone to request that we access the Platform on your behalf. However, this facility is available to you entirely at our discretion, and you must not rely on our customer management team being available to assist you to enter Buy or sell shares.

4.2.4 Where the Platform contains links to other sites and resources provided by third parties, these links are provided for your information only. We have no control over the contents of those sites or resources, and accept no responsibility for them or for any loss or damage that may arise from your use of them.

4.3 Information about your Shraes trading activity

4.3.1 When you access your Account through the Platform you can obtain:

(a) information regarding any Orders received by our Platform, including Open Orders;

(b) information regarding each transaction entered into or closed on your Account, including details of any of Afrotrade products that involves collecting funds from you that may be applicable;

(c) the Account Value of your Account in real time, and

(d) the Close-Out Level of your Account (if relevant) from time to time,

and it is your responsibility to access and review this information to ensure that it corresponds with your own records. Subject to clause 4.4, the above information will be conclusive unless we notify you or you notify us in writing of any mistake, error or inaccuracy within five (5) Business Days of the information being made available to you on the Platform.

4.3.2 The Platform will update the information set out in clause 4.3.1 in real time, however, from time to time this may not happen immediately, or you may not receive or be able to see this update immediately, due to Circumstances Outside Our Control (such as poor connectivity or systems errors). If, for example, you are unsure as to whether or not we have received an Order that you have attempted to place, or whether or not a particular Bet has been entered into or closed, or whether you have sufficient fund in your trading Account, then you should check the Platform carefully or contact us through the Live Help section of the Platform or our customer management team to seek further information.

4.3.3 We will not send you any confirmations of buy or sell by post or e-mail. Instead, we will retain any information that we are required to provide you with in relation to a buy or sell to the extent and for the duration required by Applicable Law (usually six (6) years from the date of the relevant buy or sell), and you may access this information

through the Platform unless your Account has been closed or the Agreement has been terminated. After this period, we may destroy this information or retain it for such further duration as we see fit in our absolute discretion and without notice to you. You will be able to print off this information and/or copy the information for your own records, but we do not promise that this will be in a format that will be accepted by any Official Body.

4.4 Errors

4.4.1 From time to time, errors and omissions that are reasonably obvious to you will occur in respect of your Account or the Platform (each an “Error”). If you or we know or suspect that an Error has occurred:

(a) as applicable, you must notify us immediately or we will notify you immediately as soon as that knowledge or suspicion arises; and

(b) we will then do our best to investigate whether there has, in fact, been an Error and/or what caused it, and we will notify you of the outcome of our investigation and any measures that we will take in accordance with the Agreement.

4.4.2 The occurrence of an Error may be a Specified Event that entitles us to take a Reserved Action (see clauses 8.1 and 8.3).

5. FINANCIAL MATTERS

5.1 Trading account Balance,

5.1.1 Schedule 1 sets out certain key terms and conditions on account.

You must read this carefully, along with any relevant information on Attributes available on the Product Library, before placing any Orders.

5.2 Your money

5.2.1 Subject to clauses 5.2.2 and 5.2.3, we will promptly place any money held on your behalf into a client money bank account opened at an approved bank in accordance with Applicable Law. This will include successful payments made by you to us, and any Amount credited by us to your Account.

5.2.2 We will acquire full ownership of, and pursuant to clause 5.2.3 transfer from the money held on your behalf under clause 5.2.1 to our own account(s), any Amounts required to meet the Total Margin Requirement and the Net Unrealised Loss. This money is used to cover your potential liabilities to us under the Agreement in respect of your trades. Such money does not constitute

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money for the purposes of Applicable Law, and so will not be segregated from money held in our own account(s), and may be used by us in the course of our business. Subject to any rights you may have to make a claim under the Financial Services Compensation Scheme (see clause 2.5.1), you will rank as a general creditor of us in respect of this money in the event of our insolvency. We will treat this money as client money in accordance with clause 5.2.1 if you request us to do so in writing or if we are required to do so by Applicable Law.

5.2.3 We will carry out reconciliations at the close of business on each Business Day between money held in the client money bank account pursuant to clause 5.2.1 and money held in our own account pursuant to clause 5.2.2, and any required transfer to or from the client money bank account in respect of your Account will take place on the following Business Day. We may carry out such reconciliations and transfers more frequently, should we reasonably consider that this is necessary to protect our or your interests.

5.2.4 You agree that we may cease to treat any money held on your behalf as client money and release it from our client money bank account(s), if you have no transaction and have not traded through the account in the previous six (6) years, and we have been unable to contact you. Such money will, however, remain owing to you and we will make and retain records of all balances released from client money bank accounts under this clause and will undertake to make good any valid claims against such released balances.

5.2.5 Except in the case of fraudulent activity carried on, without your knowledge, by a person other than you, we do not accept responsibility for any loss or damage suffered by you as a result of you betting on money placed in or credited to your Account in error by or on our behalf. We will be entitled at any time to deduct, without notice or recourse to you, any money placed in or credited to your Account in error by us or on our behalf.

5.2.6 We will not pay interest to you on any money held on your behalf or otherwise under clauses 5.2.1, 5.2.2 or 5.2.4.

5.3 Payments and withdrawals

5.3.1 You are responsible for making payments to us which are required, from time to time, under the Agreement or Applicable Law, including any payments required:

- (a) to keep the Account Value greater than zero;
- (b) to clear any negative Account Value;
- (c) to satisfy any debts to us, including in respect of Stock Trading Financing Costs; or

5.3.2 The procedures setting out our accepted payment methods and the costs involved, instructions on how to make and correctly designate payments, and the timings for receipt of payments are available on the Platform or from our customer management team upon request. We may reject any payment that is not made in accordance with these procedures and Applicable Law.

5.3.3 Payments will be accepted from you only where they are in respect of an Account held in your name, and the payment has originated from you. If there is any inconsistency between your name (as supplied to us by you) and the name on the source account from which the payment originates, the payment may be rejected and returned to the source account. In any case, payments will only be deemed to have been received by us once the money has been received as cleared funds and is shown on our Platform as having been received by us or credited to your Account.

5.3.4 You are responsible for any costs incurred in the process of making any payment

(e.g. transaction costs). If you make a payment by debit card or credit card, we may charge an administration fee to process your payment.

5.3.5 If we are holding an Amount on your behalf as client money (see clauses 5.2.1 and 5.2.2), you may make a request to withdraw money up to that Amount from your Account, subject to the other provisions of the Agreement (including clause 5.3.8) and Applicable Law. Details on how to make withdrawals, the relevant timings for withdrawals to take effect and on our 'return to source' policy are available on our website or from our customer management team upon request.

5.3.6 Unless we agree otherwise or to comply with Applicable Law, we will only accept a request for a withdrawal of money from your Account that is given directly by you and we will not accept any request for a withdrawal given by any other person. In addition, withdrawals will only be processed by us where the destination for the money being withdrawn is the same as the origin of your Payment(s) made under clause 5.3.3, unless (and subject to our approval) you have notified us in writing that your payment details have changed.

5.3.7 Under certain circumstances there may be a delay in processing your payment or a withdrawal, including where such delay is due to the time it takes for our systems to process the payment or withdrawal, to Circumstances Outside Our Control or to an issue in relation to your payment or withdrawal that we may be attempting to resolve to comply with Applicable Law.

5.3.8 We may in our reasonable discretion refuse or delay giving effect to your request for a withdrawal (in whole or in part) if we reasonably consider that:

- (a) this money is required to cover any money own to Afrotrade Stock Trading Financing Costs, Realised Losses, Margin or Net Unrealised Loss in respect of your trades;
- (b) this money may be required on your Account to meet a payment obligation that is due or reasonably likely to fall due within the next five (5) Business Days;
- (c) we need the money to make a Deduction (under clause 5.5.1) or exercise our right of Set-Off (under clause 5.6) in accordance with the Agreement or Applicable Law (including for tax purposes);
- (d) we are required to do so under Applicable Law or reasonably suspect that there has been a breach of Applicable Law; or
- (e) there is an unresolved dispute between us and you in connection with the Agreement, and we will (except in some cases where (d) above applies) notify you as soon as reasonably practicable if we decide to take such action.

5.4 Currency

5.4.1 The Base Currency for your Account will be Nigeria Naira or as otherwise specified at the time you opened the Account, and any payment obligations in relation to your Account must be settled in that currency.

5.5 Our right to deduct money from your Account

5.5.1 Any money due to us under the Agreement, or required to be deducted by Applicable Law (including for tax purposes), may be deducted from any money held by us under clauses 5.2.1 or 5.2.2 (this is our right to make a “Deduction”).

5.6 Our right of Set-Off between your Accounts and obligations

5.6.1 In addition to any other right we have to withhold a withdrawal from your Account or make a Deduction we may, at any time at our discretion and without notice to you, apply any positive Cash balance on your Account or on any money due to you from us against any money due to us (or any of our Associates) from you (this is our right of “Set-Off”). We may apply the AFROTRADE Exchange Rate to convert the relevant Cash balances and any money due to you or us into the same currency. If we exercise our right of Set-Off, we will give you notice of the amount of any debt that remains unsatisfied and you must immediately pay such excess to us.

5.7 Netting of payment obligations between us and you

5.7.1 If at any time:

(a) you owe us and we owe you the same amount of money in the same currency, then both your and our such obligation will each be automatically satisfied and discharged; or
(b) you owe us and we owe you a different amount of money in the same currency, then whichever of you or us that owes more may pay the excess to the other party and both your and our obligations will be satisfied and discharged.

5.8 Taxes and charges

5.8.1 You will be responsible for the payment of any applicable UK charges to any Stock Trading. However, should any change in the basis or scope of stock trading transaction fees or other taxation occur at any time which results in us having to make any payment(s) in respect of any of your transaction, then we reserve the right to deduct any such payment(s) from your Account or otherwise require you to pay or reimburse us for such payment(s).

5.8.2 We are entitled to deduct or withhold from any payment made under the Agreement or credited to your Account, any tax required by law to be deducted or withheld from any such payment or credit. In particular, we will deduct tax at the appropriate rate of income tax from any interest payable (if any) on money held on your behalf. Higher rate tax payers will have an additional liability. We may, in our absolute discretion, pay interest gross, without the deduction of tax if you are not liable to taxation within a member state of the EU and have provided us with acceptable proof of tax-exempt status. Any interest payable will be paid at the net rate until we have processed the appropriate documentation.

5.8.3 Your tax treatment in relation to Afrotrade transactions may differ according to your personal circumstances and the tax legislation in your jurisdiction (which may change). You may also be liable for other taxes and charges that are not imposed by us, including bank fees for transfers of money or assets, and fees to internet and telephone service providers. You are solely responsible for the timely payment of such taxes and charges. You should seek independent advice if you are in any doubt as to what further

taxes and charges may apply to you as a result of your trading activities.

5.8.4 We may impose and/or vary additional fees, commissions or charges from time to time in respect of trading transactions where we have a valid reason for doing so. We will give you notice in writing at least thirty (30) days before we implement any such change and, if you are not happy with the change, you will be free to close your Account and/or terminate the Agreement in accordance with clause 9.5 before the change takes effect.

6. COMMUNICATIONS

This section explains how you and we will communicate with each other.

6.1 Communications between you and us

6.1.1 All communication between you and us, and all documents and information provided under the Agreement will be in English.

6.1.2 Where the Agreement or Applicable Law requires us to communicate to you 'in writing', we will generally make such communications to you through the secure area of the Platform where your Account details can be accessed, although on certain occasions we may use e-mail or post if we have these contact details. You must check your Account through the Platform at least once every three (3) Business Days for any messages or information from us.

6.1.3 You consent to us providing you with information, through the secure area of the Platform where your Account details can be accessed, by e-mail and/or by placing such information on our website. You also authorise us to communicate with you by letter, telephone or e-mail, to discuss matters in relation to your Account, at any time whatsoever.

6.1.4 Where the Agreement requires you to communicate to us in writing, you can send us a secure message through the Platform, send us an e-mail from your e-mail address to [helpdesk@afrotradegroup.com] or send us a letter by post. Because the value of your **trading accounts** may change rapidly, any communication regarding your trades should be made through the Platform to ensure that it is received promptly. Please also note that e-mail is not a secure means of communication, and you may prefer to send us any sensitive or confidential information (e.g. payment details) through the Platform by using the Live Help section of the Platform or by contacting our customer management team.

6.2 Deemed timing for communications

6.2.1 Subject to clause 6.2.2 any communication between us and you that is required to be made in writing under the Agreement will be deemed (in the absence of evidence to the contrary) to have been received:

- (a) If made by us to you via the Platform, three (3) Business Days after such communication is made available on the Platform;
- (b) If made by you to us via the Platform, one (1) hour after such communication is received by the Platform;
- (c) if sent by e-mail, one (1) hour after sending, unless a “not sent” or “not received” message is received by the sender from an e-mail provider;
- (d) if sent by first class post, three (3) Business Days after posting; and
- (e) if delivered personally or by hand, at the time of delivery.

6.2.2 Any changes to Attributes, Prices and Variable Rates will take place in real time on the Platform and will be deemed (in the absence of evidence to the contrary) to have been received immediately.

6.2.3 Orders will be deemed (in the absence of evidence to the contrary) to have been received in accordance with paragraph 3.1 of Schedule 1.

7. LIABILITY AND REPRESENTATIONS

This section explains certain matters related to your liability and our liability under the Agreement and the declarations and assurances that you give to us on a continuing basis.

7.1 Your obligations if you breach the Agreement

7.1.1 If you believe or have reason to believe that you have breached any term of the Agreement, then you must inform us immediately in writing.

7.1.2 You will be responsible for any losses and/or expenses that we suffer which are the result, and which a reasonable person would consider to be the probable result, of you being negligent, acting fraudulently or breaching the Agreement or Applicable Law.

7.2 Our liability towards you, and limitations of that liability

7.2.1 Nothing in the Agreement excludes or limits our liability for death or personal injury caused by our negligent acts or omissions, any fraud or fraudulent misrepresentation or any other matter that cannot be excluded or limited under Applicable Law.

7.2.2 Subject to clause 7.2.1, we will not be liable to you for any loss:

(a) which arises as a result of:

(i) our compliance with Applicable Law or the terms of the Agreement, including where we are required by an Official Body not to process your instructions or where processing your instructions may breach Applicable Law;

(ii) your negligence, fraud or breach of the Agreement or Applicable Law;

(iii) any Specified Event, Circumstance Outside Our Control or other matter which gives us a right to take a Reserved Action in accordance with clause 8.3;

(iv) any unavailability of the Platform due to any circumstance set out at clause 4.2.1(a);
or

(v) any suspension of the Platform in accordance with clause 4.2.1(b).

(b) except to the extent that such loss has resulted from our negligence or breach of the Agreement, provided in all cases that such loss could have been contemplated by you and us at the time of such negligence or breach, and that such loss is not loss of profit or opportunity.

7.2.3 The limitations and exclusions of liability in the Agreement apply regardless of whether or not we, or any of our employees, Associates, agents or business partners, are aware that you may incur a loss or make a claim against us.

7.2.4 Unless expressly stated otherwise, we are not responsible for reminding you or

alerting you to any obligation or liability that you may have under the Agreement, and where we do make any such reminder or alert to you, this is done entirely at our discretion.

7.3 Your declarations and assurances

7.3.1 When you apply to open an Account, access the Platform, attempt to place a Bet, make a payment into or a withdrawal of money from your Account or give us any other instruction, we are entitled to rely on the following declarations and assurances as having been confirmed by you to be true and accurate (and you must notify us immediately in writing if this is not the case):

- (a) you are, and will remain, in full compliance with Applicable Law, and nothing under Applicable Law prohibits or restricts you from entering into trades or fulfilling your obligations under the Agreement;
- (b) all information that you supply to us from time to time (whether via your application form or otherwise) is complete, true, accurate and not misleading in any respect that would affect our decision as to whether or not to open an Account for you and/or accept your trades and you will inform us immediately, in writing, of any change to the information you have previously provided to us that could affect our dealings with you;
- (c) your use of our Platform is not for any Improper Use;
- (d) if you are an individual, you are at least 18 years old;
- (e) if you are a body corporate or unincorporated association, you are validly existing in accordance with Applicable Law and have obtained all necessary consents and authorisations under your constitutional or organisational documents;
- (f) except where we have agreed otherwise in writing, you act on your own behalf and not as the agent or representative of any other person;
- (g) you are not located in, or a resident of, any jurisdiction where it may be unlawful to access the Platform
- (h) your Orders and/or trades are not for the purposes of or in connection with any placing, issue, distribution, offer, take-over, merger or other similar corporate finance type transaction;
- (i) you are not connected with the issuer of any underlying asset of a AFROTRADE Product in respect of which you have placed a buy or sell, including as a director, employee, agent, contractor or professional adviser of such issuer;
- (j) you fully own all money you may transfer to us in accordance with the Agreement, and no other person has any interest in such money; and
- (k) you have a suitable device and adequate connectivity to enable you to access your Account through the Platform and the e-mail account that corresponds to your e-mail address.

8. OUR RIGHTS IN CERTAIN CIRCUMSTANCES

This section explains certain rights that we have under certain circumstances.

8.1 Specified Event

8.1.1 Should a Specified Event occur or be reasonably likely to occur, we may take a Reserved Action (see clause 8.3). A Specified Event includes if:

- (a) you are the subject of or have been found guilty or at fault in any criminal proceedings or relevant investigation carried out by an Official Body in any jurisdiction;
- (b) you are the subject of an insolvency;
- (c) you are an individual and you die or become of unsound mind or you are otherwise,

for whatever reason, unable to understand fully the terms and implications of the Agreement;

(d) you have failed at any time to comply with any of your obligations under the Agreement, including failure to ensure your Account Value stays above the Close-Out Level, failure to make any payment to us when due, or where any declaration or assurance given by you to us is or becomes untrue without you having given us reasonable prior notice in writing;

(e) an Error occurs; or

(f) any other circumstance exists where we reasonably believe that it is necessary or desirable to protect you or us, including any breach or potential breach by you of Applicable Law or the Agreement or where you do not respond as reasonably required to any notice, communication or request for further information from us in relation to your Account.

8.2 Circumstances Outside Our Control

8.2.1 A Circumstance Outside Our Control is the actual existence of, or our reasonable belief of the existence or imminence of, any circumstance that is beyond our reasonable control, for which we are not prepared and for which we could not reasonably have been prepared, and which prevents us from being able to provide the Platform and/or perform any of our obligations under the Agreement on the same practical and commercial basis that we would normally do so. Such Circumstances Outside Our Control may arise from a wide variety of events including:

(a) changes in Applicable Law or any action taken by an Official Body;

(b) events on any relevant financial market that impair or remove the ability of the Platform to operate on a normal and orderly basis, including to generate an accurate Price;

(c) acts of any third party financial institution with whom we deal which means that we are unable or it is impractical for us, after using reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset we deem necessary or appropriate to hedge our price risk relating to trades;

(d) errors, failures or disruptions in our systems or any other infrastructure (including infrastructure under the control of third parties) on which we are substantially dependent;

(e) natural disasters and emergencies, including floods, earthquakes and other acts of God;

(f) man-made emergencies, including fire, explosions, criminal acts, riots, war, armed conflict, imposition of sanctions and terrorist attack; and

(g) third-party default, including any labour dispute, strike, industrial action or dispute, lockout, and non-performance by suppliers or subcontractors.

8.2.2 If we reasonably determine that there is a Circumstance Outside Our Control:

(a) we will give you notice of such determination as soon as it is practicable and in accordance with Applicable Law;

(b) we may take a Reserved Action under clause 8.3;

(c) we will do our best to resume our provision of the Platform and/or performance of our obligations under the Agreement as soon as possible. However, there may be some situations where this is not reasonably possible without significant delay, or not possible at all, in which case we will inform you of any proposed course of action that we intend to take, which will be with a view to minimising any adverse impact of the Circumstance

Outside Our Control on both you and us; and

(d) any failure by us to perform our obligations under the Agreement caused by a Circumstance Outside Our Control will not be considered to be a breach of the Agreement.

8.2.3 Where we are able to resume our provision of the Platform and/or performance of our obligations under the Agreement following a Circumstance Outside Our Control:

(a) the value of any trade you held immediately before the Circumstance Outside Our Control (which has not been closed or cancelled by us under clause 8.3) will be calculated in accordance with the relevant Price as at the time we are able to resume our provision of the Platform and/or performance of our obligations under the Agreement;

(b) if any conditions specified by you in respect of a buy or sell immediately before the Circumstance Outside Our Control (which has not been cancelled or closed by us under clause 8.3) have been met, the relevant trade may be entered into or closed immediately after we resume our provision of the Platform and/or performance of our obligations under the Agreement; and

(c) you are responsible for re-instating any Order that we cancelled under clause 8.3.1(a) during the Circumstance Outside Our Control, and for cancelling any Open Order that remains

8.3 Reserved Actions

8.3.1 If we are required to do so under Applicable Law, or a Specified Event or Circumstance Outside Our Control occurs or is likely to occur, then we may in our discretion take any action that may be reasonable and proportionate in the circumstances, including the following Reserved Actions:

- (a) close any trades, or cancel or suspend any Open Orders on your Account;
- (b) prohibit you from accessing or using your Account;
- (c) suspend or in any way limit or restrict your ability to place any buy or sell or to give any instruction in relation to your Account;
- (d) vary the Attributes and Variable Rates (as well as the Prices), including those relevant to your trades;
- (e) cancel any trades (as if they had never been entered into in the first place) and the effect of such trades on your Account(s);
- (f) impose special terms in relation to any buy or sell which, by virtue of its size, is deemed by us to be abnormal by reference to the relevant AFROTRADE Product or its volatility or its liquidity;
- (g) close any Account in accordance with clause 9.5 or any other procedure;
- (h) exercise any right of Set-Off, to make a Deduction, or to charge interest, that we have under the Agreement or Applicable Law;
- (i) retain any sum owed by you to us or any of our Associates;
- (j) make credits or debits to any Account; and/or
- (k) suspend the generation of Prices by the Platform in respect of any AFROTRADE Product.

8.3.2 If we decide to take any Reserved Action then we will attempt to notify you of this as soon as reasonably practicable, unless Applicable Law or an Official Body prevents us from doing so. If we are able to give you prior notice of our intention to take any Reserved Action, then that Reserved Action will either take effect immediately or at such time as specified in the notice.

9. AMENDMENTS AND TERMINATION

This section explains our rights to make amendments to the Agreement and what can happen to your use of our services if we exercise those rights.

9.1 Amendments to the Agreement in general

9.1.1 We may amend any part of the Agreement at any time by giving you notice in writing. Any amendments we make must be in accordance with Applicable Law. We will only make amendments for a valid reason.

9.1.2 Subject to clauses 8.3, 9.2, 9.3 and 9.4 any amendments to the Agreement that we notify to you will take effect on the date specified in our notice to you, which will be at

least ten (10) Business Days after we send our notice to you. You will be free to close your Account(s) and/or terminate the Agreement in accordance with clause 9.5 before the amendment takes effect if you are not happy with the amendment. Unless we state otherwise, changes we notify to you will affect all ongoing business between us and you, including Open Orders and trades. During that period, subject to the terms of the Agreement, you will be able to close those trades and cancel those Open Orders if you wish.

9.2 Amendments to Margin Rates

9.2.1 In addition to our rights under clause 8.3.1 to amend Attributes in certain circumstances, we may from time to time make any amendments to Margin Rates by informing you of the amendments in writing. In respect of existing trades affected by such amendments, we will, where possible, provide you with three (3) Business Days notice of such an amendment, although on occasion we may make such an amendment on shorter notice or without giving you prior notice where in our reasonable opinion such an amendment is desirable or warranted.

9.3 Amendments to Prices, Variable Rates and Attributes

9.3.1 The Platform will amend Prices, Variable Rates and Attributes in real time and such amendments will take effect immediately as and when they are made on the Platform even if they are not displayed on the device that you use to access the Platform (for example, due to poor connectivity).

9.4 Removal of AFROTRADE Products

9.4.1 Subject to clause 8.3, we may, at any time, remove any AFROTRADE Product(s) from the Platform by giving you reasonable notice in writing where possible. The notice will specify the time from which you will no longer be able to place Orders or enter into any trades in respect of that AFROTRADE Product.

9.4.2 You should cancel any Open Order and/or close any trades in respect of that AFROTRADE Product before the time specified in our notice. If you do not do this, we will cancel any Open Orders and close any trades in respect of that AFROTRADE Product at the time and in the manner specified in the notice.

9.5 Closing your Account(s) or terminating the Agreement

9.5.1 You may close any Account held by you and/or terminate the Agreement by giving us notice in writing, which will take effect immediately. You should cancel any Open

Orders and close any trades on the relevant Account(s) and then withdraw any money due to you before giving us notice. If you do not do this, we will cancel any Open Orders and close any trades as soon as possible after we receive your notice and then attempt to return any money due to you.

9.5.2 In addition to our rights to close an Account as a Reserved Action under clause 8.3, we may close any Account and/or terminate the Agreement by giving you notice in writing, which will take effect on the date specified being no less than ten (10) Business Days after the date of the notice unless there are serious valid reasons for us closing your Account and/or terminating the Agreement with fewer than ten (10) Business Days' notice, or no notice. We will cancel any Open Orders and close any trades at the time and in the manner specified in the notice and attempt to return any money due to you. Unless our notice specifies otherwise, you will be allowed to cancel any Open Orders and close any trades yourself during the time between when we give you the notice and the time when your Account is due to close and/or the Agreement is due to terminate.

9.5.3 When you or we close your Account(s) and/or terminate the Agreement we may exercise any right that we have under clause 5.5 to make a Deduction or under clause 5.6 to exercise our right of Set-Off.

10. GENERAL PROVISIONS

This section contains other legal provisions that may affect your and our rights under the Agreement.

10.1 Marketing, privacy and record keeping

10.1.1 In connection with the Agreement, you will be providing us with personal information that is subject to data protection laws. By sending the application form to us and entering into the Agreement you consent to:

(a) us processing this information for the purposes of assessing your application, assessing our financial risk, carrying out credit checks, carrying out anti-money laundering checks, reviewing our or your compliance with Applicable Law, making reports to Official Bodies, preventing fraud, for the purposes of external audits to satisfy or verify our compliance with our contractual obligations, developing our business, products and services, carrying out our obligations under the Agreement and recovering money which is payable by you to us. Where reasonably practicable, we will notify you of any change to how we hold, process or disclose information;

(b) us disclosing your personal information to the following persons for the same purposes listed at (a) above:

(i) other agents, subcontractors and service providers which process your data on our behalf;

(ii) our Associates and any agents, subcontractors and service providers which process data on their behalf;

(iii) your introducing broker or agent (if any);

(iv) third party credit reference agencies, identity checking agencies, and criminal and sanctions registers;

(v) any individual, company or other body to which we may transfer or delegate our rights or obligations under the Agreement; and

(vi) any Official Body;

(c) us acting in accordance with the preferences indicated by you on the application form when using your personal information for the purposes of marketing our products or

products of our Associates to you, and sharing your personal information with our Associates, your introducing broker or agent (if any) and marketing partners for marketing purposes. You may notify us at anytime in writing if you wish to change your preferences and do not want us to use or share your personal information for these marketing purposes; and

(We will comply at all times with our data protection obligations in respect of any such transfer.

10.1.2 If you request, on payment of a fee the amount of which is available from us on request, we will provide you with a copy of your personal information that we are holding.

10.1.3 You agree that we may record all telephone conversations between you and us, and use such recordings, or transcripts from such recordings, as well as any e-mails or messages through the Platform you send us, for training purposes, for the purposes of investigating any complaint you may make, or as evidence in any dispute or anticipated dispute between you and us.

10.2 Intellectual Property and Improper Use of the Platform

10.2.1 Unless otherwise indicated, the Platform and its design, text, content, arrangement, organisation, graphics, compilation, magnetic translation, digital conversion and other matters related to the Platform (“Elements”) are protected under applicable copyrights, trademarks and we are the owner or the licensee of all intellectual property and other proprietary rights in the Platform and all such Elements. All such rights are reserved. The posting of the Platform and any Elements on the Platform does not constitute a waiver of any right in the Platform or such Elements. Except as expressly granted in the Agreement, you do not acquire any rights, title or interest in or to the Platform or any such Elements.

10.2.2 We hereby grant you a personal, non-exclusive, revocable and non-transferable licence, to access and make personal and non-commercial use of the Platform for the limited purpose of in accordance with the Agreement. No other rights are granted in respect of the Platform.

10.2.3 You must not:

(a) copy, reproduce, duplicate, or use the Platform except as expressly provided for in the Agreement;

- (b) permit other individuals to use the Platform except as expressly permitted in the Agreement;
- (c) link to the Platform except with our express prior written consent;
- (d) modify, translate, reverse engineer, decompile, disassemble (except and solely to the extent an Applicable Law expressly and specifically prohibits such restrictions), or create derivative works based on the Platform or any of its contents;
- (e) modify the operation of the Platform;
- (f) re-distribute, re-sell, re-transmit, publish, sub-licence, disclose, display or make commercial use of the Platform or any content or data provided within the Platform;
- (g) download or copy Account information other than if required to do so by an Official Body or for personal use;
- (h) use data mining, robots or similar data gathering and extraction tools on the Platform;
- (i) knowingly introduce viruses, trojans, worms, logic bombs or other material or code which is malicious or technologically harmful;
- (j) attempt to gain unauthorised access to the Platform, the server on which the Platform is stored or any server, computer or database connected to the Platform; or
- (k) attack the Platform via a denial-of-service attack or a distributed denial-of-service attack, and any of the above acts may be a Specified Event that entitles us to take a Reserved Action (see clauses 8.1 and 8.3)

10.2.4 We will not be liable for any loss or damage caused by a distributed denial-of-service attack, viruses or other technologically harmful material that may infect your computer equipment, computer programs, data or other proprietary material due to your use of the Platform or to your downloading of any material posted on it, or on any website linked to it.

10.3 Outsourcing

10.3.1 We may use external service providers in relation to any of our operations in accordance with Applicable Law, who may include Associates or other third parties.

10.4 Provisions becoming illegal, invalid, or incapable of application

10.4.1 If at any time any provision of the Agreement is or becomes illegal, invalid, or incapable of being applied in any respect under the law of any jurisdiction, all other provisions of the Agreement will remain legal, valid and capable of being applied under the law of that jurisdiction as well as under the law of any other jurisdiction.

10.4.2 Nothing in the Agreement will exclude or restrict any duty or liability owed by us to you under Applicable Law, and notwithstanding any other provision of the Agreement we will be entitled to take any action or refrain from taking any action if necessary to ensure compliance with Applicable Law. In the event of conflict between any provision of the Agreement and Applicable Law, Applicable Law will prevail.

10.5 Transfer or delegation of rights and obligations

10.5.1 Due to requirements under Applicable Law regarding the information we hold on our customers and how we must deal with them, you may not transfer any of your rights or delegate any of your obligations under the Agreement to any person without our prior written consent. We will not refuse our consent for this without good reason.

10.5.2 You may not, for any reason, grant any person the use or benefit of a right under the Agreement, including of any rights to money held with us (whether by way of a mortgage, charge or otherwise).

10.5.3 We may transfer or delegate our rights and/or obligations under the Agreement

and/or in respect of any trade, to any person, provided we act in accordance with Applicable Law. If you have fulfilled all of your obligations under, and are not in breach of, the Agreement we may do this on giving you not less than thirty (30) days' notice in writing, otherwise we may do this with immediate effect in which case we will inform you about the transfer or delegation as soon as reasonably practicable. Where we transfer or delegate any of our rights or obligations under the Agreement to any person, we may provide that person with any information relating to you that they may reasonably require.

10.6 Rights and Remedies

10.6.1 The rights and remedies available to you or us under the Agreement do not exclude, and are in addition to, the rights and remedies provided to you or us in accordance with Applicable Law.

10.7 Delay or inaction in exercising rights under the Agreement

10.7.1 If you or we have a particular right under Applicable Law or under the Agreement, it may be the case that you or we fail to take prompt action to exercise that right. Such failure may be for any reason (e.g. you or we may not yet have become aware of the surrounding circumstances, or may have attempted to exercise the right without taking all the appropriate or required steps). Whatever the reason, such failure does not mean that you or we will be unable to exercise the right at a later stage.

10.7.2 Similarly, you or we may fail to take prompt action when the other party breaches the Agreement. Such failure does not mean that you or we will be unable to take action at a later stage or that the party who committed the breach is authorised by the other to continue breaching the Agreement.

10.8 Rights of Third Parties

10.8.1 Except as provided in clause 10.8.2, nothing in the Agreement is intended to confer on any person any right to enforce any term of the Agreement which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

10.8.2 The Agreement may, however, be enforced by any of our Associates. We do not require the consent of our Associates to amend, modify, suspend, cancel or terminate any provision of the Agreement.

10.9 Governing Law and Jurisdiction

10.9.1 The Agreement and any shares/mortgage bought under the Agreement are governed by, and interpreted in accordance with, the laws of Nigeria, England and Wales.

10.9.2 The courts of England and Wales have non-exclusive jurisdiction to hear all and any disputes or claims (of any and every kind, whether based on the Agreement, statute, regulation, case law or otherwise) arising out of, relating to, or connected with the Agreement, including as to its interpretation, validity, application or breach. You have no right to object to the courts of England and Wales being nominated as the forum to hear any dispute. This will not limit our right to take proceedings against you in relation to any dispute or claim in any jurisdiction that we consider appropriate, nor will the taking of proceedings in one or more jurisdictions preclude us from taking proceedings in any other jurisdiction, whether concurrently or not, if and to the extent permitted by Applicable Law.

10.10 Survival of terms in this Agreement

10.10.1 Clauses 6, 7.1, 7.2, and 10.1 to 10.9 will continue to apply after closure of your Account and/or termination of the Agreement.

Schedule 1 - Financial Stock Trading Product

Afrotrade - July 2010

Schedule 1 – Trading, shares trading, Money transfers, Account Balance etc

1. AFROTRADE Products

1.1 You will be able to access relevant information on each AFROTRADE Product on which you can enter into a trade, including the Attributes, in the Product Library.

1.2 You may only enter into or close trades via the Platform during the Trading Hours specified in the Product Library for the relevant AFROTRADE Product. Some but not all types of trades may be submitted via the Platform outside of the Trading Hours for the relevant AFROTRADE Product.

1.3 No buy or sell will entitle you or us to any rights in relation to the underlying asset(s) of a AFROTRADE Product, including any rights to delivery.

2. Prices

2.1 During the Trading Hours for any AFROTRADE Product, the Platform will generate Prices. The quality of your connection, as well as rapid market fluctuations may affect the speed at which information is displayed and refreshed. Therefore we cannot guarantee that the Price displayed on your device at any time will always be the actual and up-to-date Price being generated by the Platform at that time.

2.2 Each Price is expressed as a lower figure (representing the Sell Price) followed by a higher figure (representing the Buy Price).

2.3 The direction of your trade determines which of the Sell Price or Buy Price your trade will be entered into or closed at.

3. Orders

3.1 An Order will only be deemed to be received by the Platform at the time at which the Platform actually receives it, which may not be immediately after you submit that order (for example, due to poor connectivity).

3.2 Placing an Order does not guarantee that a trade will be entered into or closed (as appropriate). The Platform may reject your Order without any explanation. Each Order will need to be executed by the Platform in order for a trade to be entered into or closed (at which time your Order will be accepted by us). The Platform will record any execution of your Orders, and you can access the relevant information on executed Orders through the Platform.

3.3 You may change or cancel an Open Order at any point until the Platform has executed that Order.

4. Trades

4.1 To enter into a trade, you must place an Order on the Platform by filling in a ticket that identifies the AFROTRADE Product and specifies whether you wish to enter into a Buy or Sell, the type of Order, the Price at which you wish to buy or sell (as applicable), the Stake and the Stop Loss that you wish to apply to that trade (if any).

6. Account Value

Your Account Value will be updated by the Platform in real time and is calculated using the latest market price

Schedule 2 – Definitions and Interpretation

Afrotrade - July 2010 - 9663

1. Defined terms used in this document

1.1 Certain words and expressions that begin with a capital letter in these Terms have the meaning set out below or in the relevant clause or paragraph in which they appear for the purposes of the Agreement unless otherwise stated:

Account : Any account that you hold with us in relation to trades.

Account Number: The number we use to identify your account.

Account Value: Your Balance with Us (Naira amount in our Nigeria bank)

Amount: An amount of money in the Base Currency.

Applicable Law: Any laws, statutes, orders, rules, decisions, provisions, directives, regulations, requirements, conditions, standards, sanctions, guidelines and industry codes having legal effect or stipulated by any Official Body in any jurisdiction, provided that such laws etc. are existing and in force from time to time and (where relevant in the context) are directly or indirectly applicable to us, you, the Agreement or the Platform.

Associate: Any body corporate associated with AFROTRADE Group Plc within the meaning of section 256 of the Companies Act 2006.

Attributes: The various limitations and restrictions that apply to trades in respect of each AFROTRADE Product, including the Margin Rate, minimum/maximum Stake, Trading Hours, and permitted market direction, which we may amend from time to time

Base Currency: The currency in which an Account is denominated, in accordance with clause 5.4.1.

Business Day Means: (i) in relation to specific Orders and trades, any day on which the Platform is generating Prices in relation to the relevant AFROTRADE Product; and (ii) for all other purposes, any day (other than a Saturday or Sunday) on which banks are open for business in London.

Buy Price: The Price at which a long Bet is entered into

Cash: An Amount in the Base Currency calculated as (i) the sum of: any successful payments made by you to us, plus the Amount of any money credited by us to your Account; minus (ii) the sum of: the Total Margin Requirement plus the Amount of any Deductions plus Realised Losses for which Deductions have not been made plus the Amount of any money withdrawn by you.

Circumstance Outside Our Control: Has the meaning set out in clause 8.2.

Close-Out: The process described at paragraph 6.2 of Schedule 1, in which the Platform may close all of your trades.

Close-Out Level: The level calculated in accordance with paragraph 6.2 of Schedule 1, at which the Platform may close all of your trades.

AFROTRADE Exchange Rate: The foreign exchange rate at which we may convert any currency, as we may reasonably determine from time to time, having regard to current market rates, as specified on the Platform from time to time.

AFROTRADE Product: An instrument generated by us upon which you place trades. Details of the various AFROTRADE Products on which we may accept Orders are listed in the Product Library from time to time.

Deduction: Has the meaning set out in clause 5.5.

Error: Has the meaning set out in clause 4.4.

FX Conversion Rate: With respect to a AFROTRADE Product, the rate specified as fx

conversion rate in the Product Library from time to time.

Limit Order: An instruction to place an Order in accordance with the relevant conditions set out in section 2 of the Order Execution Policy Summary.

Official Body: Any local, national or supra-national public body that is relevant to the Platform and our activities with you, including the Nigerian government, UK government, the FSA and other relevant financial services regulatory bodies, the Bank of England, Her Majesty's Treasury, the Office of Fair Trading, the police, the Serious Fraud Office, Interpol, the Serious Organised Crime Agency, the courts and Her Majesty's Revenue and Customs, which is in existence from time to time.

Platform: Our electronic platform.

Point Multiplier: The multiplier applied to a AFROTRADE Product as specified on the Platform.

Price: The Buy Price or Sell Price of a AFROTRADE Product, which is generated by the Platform from time to time.

Product Library: The section of the Platform that contains the list of AFROTRADE Products and key information in relation to each AFROTRADE Product, including their Attributes.

Sell Price: The price at which a short Bet is entered into and at which a long Bet is valued and closed.

Stop Loss: An instruction to place an Order in accordance with the relevant conditions set out in section 2 of the Order Execution Policy Summary.

Trading Hours: In respect of a AFROTRADE Product, the times during which the Platform generates Prices and during which you may place Orders for trades on that AFROTRADE Product, as specified in the Product Library from time to time.

Rate and FX Conversion Rate:

1.2 The meaning of certain other words in the Agreement

1.2.1 Any reference in the Agreement to a particular provision of Applicable Law (such as a statute or rule or other provision made by an Official Body) is deemed to include a reference to that provision as amended or re-enacted (or both) from time to time, to any subordinate provision made or other thing done by an Official Body under that provision, and any equivalent, similar or analogous provision under Applicable Law.

1.2.2 Any reference to a document (including information provided on the Platform) in the Agreement is deemed to be a reference to that document as modified from time to time.

1.2.3 Any reference to 'including' or 'includes' in the Agreement is deemed to be a reference to 'including without limitation'.

1.2.4 Any heading in the Agreement will not affect the interpretation of the Agreement.

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