

TERMS OF BUSINESS IN DERIVATIVE MARKET IN CAMBODIA

I. INTRODUCTION

We are pleased to provide you with an introduction to our business and the terms and conditions that govern our services. As a licensed derivative broker under the Securities and Exchange Regulator of Cambodia (SERC), we specialize in providing financial services related to credit intermediation, management, scientific and technical consulting, and related activities.

Our mission is to provide our clients with a streamlined trading experience in financial markets. We offer a range of derivative products, including options, futures, swaps, and forwards, that allow investors to speculate on the future price movements of underlying assets, such as stocks, commodities, and currencies.

As a derivative broker, we are committed to complying with SERC regulations, which include requirements for capital adequacy, risk management, and client protection. We take our responsibilities to our clients seriously and strive to provide the highest level of service and transparency in all our dealings.

Before entering into any transactions with us, we encourage you to carefully consider the risks associated with the derivative business. Derivatives are complex financial instruments that require a thorough understanding of the underlying asset and market conditions. As such, we recommend that you seek professional advice before making any investment decisions.

II. DEFINITIONS

1. “Derivative Instrument”: Refers to the Contract for Difference of the original financial instrument from the bond, the debt index, the oil value, crude oil, natural gas, commodities, including Principal Protected Scheme and which is traded in the market. These derivatives are financial instruments, which are a type of securities.
2. “Derivative Brokerage Business”: Refers to the business providing services for the trading of derivatives as its customers.
3. “Central Counterparty” refers to a company that is directly partnering to all trading contracts on one or more derivatives, becoming a buyer party to all vendors, and will be a seller party to all buyers.
4. “Spread”: refers to the gap between the purchase price and the sales price of the product.
5. “Law”: Refers to the Law on Broadcasting and Trading of the Superior Securities

6. “Derivative Broker”: Refers to a company that is licensed or a securities company that needs to be licensed by the Director General of SERC to conduct derivatives brokerage business.
7. “Derivative Representative”: Refers to a natural person who must be licensed by the Director General of SERC to open and manage accounts for clients and provide other services on behalf of derivatives brokers.
8. “Initial – Margin”: Refers to the initial cash size, which is set as a percentage of the total investment size that customers must deposit in the pre-trafficking account.
9. (Anukret): Refers to the sub-decree on the implementation of the law on the issuance and trading of public securities.

III. GENERAL CONDITIONS

1. Customers agree that the service company is a customer agency and has the right to act in relation to the trading of derivatives at the customer's order-sales. The customer agrees to carry out the obligations arising from the implementation of the mandate by the company in the domain of authorization provided by the customer under this Agreement and related provisions.
2. The Company shall not operate the derivative instrument in the client's account on behalf of the client in the form of a discretionary account.
3. The company ensures that the company has received a license by SERC in providing services to clients.
4. The client has read and fully understood the relevant laws and regulations as well as the general conditions of trading the company's derivatives and ensures that it complies with the rules and regulations and the general conditions.
5. Customers agree to provide the company with:
 - Information on the real identity, customer, and customer benefit
 - Customer trading target
 - Information on trading clients in other companies or companies and information on trading derivatives that customers are trading.
 - When a customer makes a referral order for another person, the customer agrees to provide the information as provided in points A, B, and C above the person.
6. Both parties agree that the trading of derivatives shall be made in accordance with relevant laws and regulations.
7. The Company shall provide the Customer with a report on the operation of the derivative instrument, as well as the status and processing of the Customer Fund on the trading day following the date of the client's operation, and shall prepare a derivative instrument trading

report to inform Cash Balance, Trading Status, derivatives and Margin of Customers to know and/or to verify with the system established by the company during business hours. The company must provide this report to the customer through written, electronic or other electronic means that must be approved by the customer in advance.

IV. DERIVATIVE TRADING

1. The client agrees to deposit sufficient cash or assets for collateral before trading the derivatives.
2. To order - sell derivatives through this agreement, the customer must be fully aware of the various types and conditions of the order-sales set by the Central counterparty in accordance with the rules, regulations and rules in force.
3. Orders or sales can be made through written documents, audio, electronic messages or other electronic means. When receiving a customer order, brokerage, derivative device through a derivative representative, the derivative must make that command record in the form of a file, a mix of conditions - letters, recordings or electronic devices to verify customer orders. The record of that order shall indicate the name of the customer, the trading account number, Details of the order, date and time of the order, and so on. Case of Order - Sale of derivatives made by phone, the customer agrees to allow the recording company in relation to the order-sold by phone to keep the company as proof.
4. The company must ensure an effective mechanism to receive orders from customers.
5. The Company shall provide customer information on any other potential risks associated with the order-sell and the Company shall be responsible for the risk of inconvenience, telephone, internet or internal trading system of the Company during the order - sell from the customer.
6. The company guarantees to reduce the maximum risk that may arise in relation to the order-sell.
7. The Company shall immediately notify the Customer in the event that the Company is aware that the person who is not authorized to order - sell uses the customer's confidential information to order-sell.
8. Customers must recognize that they have studied and are well aware of the risks that may arise in ordering-sales that the company provides information.
9. Customers must immediately notify the company in case the customer knows that there are individuals who are not entitled to order - sell use customer confidential information to order – sell.

10. Customers recognize and agree that the purchase or sale of derivatives through a derivative broker are a purchase or sale between a client and a central counterparty on the other side of the contract the company is an agent.

V. MARGIN

1. The Company must deposit the client's cash in the derivative customer cash account separately from the Company's account at the cash registers related to securities accredited by SERC.

2. The Company will calculate the value of the derivative in the customer's account and adjust the margin deposited by the customer at the company no later than the end of the trading day to limit the margin in the customer's account in accordance with the laws, regulations, and rules in force.

3. The customer agrees to apply the maintenance engine set by the company in accordance with the laws, regulations, and rules in force. If the customer's margin level is lower than the retaining machine, the customer shall check the adequacy of the margin level as notified by the customer through the prior approval of the customer, such as a written letter, fax, telephone, e-mail or other electronic means and the customer must deposit additional cash so that the margin level in the customer's account is not lower than the initial margin. The customer must deposit the cash to replenish the machine within a certain period specified by the company.

4. Customers can withdraw cash deposited in the case of a margin level in a customer's account higher than the first Margin.

5. In case the company does not receive additional cash from customers within the specified period, the company has the following rights:

A. Reject the customer's additional purchase-sell orders.

B. Close all or part of the derivatives trading situation of the client.

6. The company must not withdraw customer cash, except in the following cases:

A. The company makes payments to any person who is eligible in the framework of derivatives trading of Customers.

B. The company makes payments, fees, commissions, and other costs that the customer has to pay.

C. The company makes payments to another person or account according to the customer's written request.

D. The company makes payments or withdraws cash required by SERC or law.

VI. CLOSING DERIVATIVE TRADING

1. The company can take action against customers if any of the following situations:

- A. The customer has concealed or provided false information.
- B. The Customer does not comply with any of the terms of the Agreement.
- C. The Company deems it necessary to prevent irregular trading conditions or to practice derivative trading practices incorrectly or possibly in violation of the law.
- D. The company complies with the requirements of SERC.

2. The measures that the company can take for customers are as follows:

- A. Close any trading situation or close all trading conditions of the customer to pay the client's obligations.
- B. Reduce or restrict the trading of derivatives of customers.

VII. TRADING CONDITIONS

1. The broker provides derivative market services over multiple trading platforms for eligible Participants to trade in derivatives. All transactions will be executed in accordance with the market's prevailing trading conditions and rates at the time of the transaction.

2. The broker operates a transparent price discovery mechanism based on bidding and offering of Participants. The prices determined in the trading platform shall prevail during settlement.

3. The broker reserves the right to change margin requirements and trading conditions without prior notice.

VIII. CUSTOMER'S RESPONSIBILITIES

1. The customer agrees to comply with all rules and regulations issued by the broker for the orderly conduct of the derivative market.

2. The customer agrees to provide complete and accurate information to open a trading account with the broker.

3. The customer agrees to maintain all margin requirements and settle all obligations incurred during the trading session.

4. The customer shall be responsible for maintaining the jurisdictional regulations applicable to the account.

IX. CONFIDENTIALITY

The Company agrees not to disclose customer confidential information or other confidential information relating to customers that the Company receives within the framework of the provision of services under this Agreement to any person, except in the following cases:

1. Have the written consent of the customer, confirming the person entitled to receive the confidential information.
- 2- There is a requirement from SERC or the Court of the Kingdom of Cambodia.
3. There are requirements by law and other relevant regulations.

X. NOTIFICATIONS

1. All reports and notices provided to customers shall be in accordance with this Agreement or the laws and regulations, unless otherwise requested by the customer.
2. The customer agrees to notify the company immediately when there is a change of address or other contact information. In case the customer fails to notify the company of these changes, all reports or notifications shall be sent to the customer at the last known address of the company.

XI. MANAGEMENT LAW

1. This Agreement shall be governed by the laws and regulations of the Kingdom of Cambodia in force.
2. All disputes arising out of this Agreement may be settled in accordance with the dispute resolution procedures set by the SERC.

XII. RISK FACTORS

1. Clients have studied the risks related to derivatives trading and have learned about derivatives trading, trading mechanisms and practices, cash deposits, risk factors and Damage resulting from derivatives trading. The Client also understands the relevant laws and regulations, including the rights, obligations and responsibilities of each party in this Agreement.
2. Clients understand and recognize that derivatives trading is a high-risk type of trading where prices fluctuate rapidly.

XIII. TERMINATION

1. Each party has the right to terminate this Agreement at any time by giving seven (7) days' written notice to the other party.
2. Both parties agree that the termination of this Agreement does not affect the rights and obligations and unfulfilled interests of each party that existed prior to the conclusion of this Agreement.

XIV. DISCLAIMER

The derivative broker does not make any representation or warranty, whether express or implied, regarding the accuracy or completeness of any information provided to the Participant.

XV. OTHER TERMS

The derivative broker reserves the right to amend or modify this agreement at any time without notice, and such changes shall be effective immediately upon posting on the website.