



# **LEGENDS FX**

*Markets*

**PAMM Account Terms & Conditions**

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## **1. General Provisions**

1.1. These Regulations define the terms and conditions under which Legends FX Markets (hereinafter referred to as the “Company”) provides the PAMM Account service to Clients.

1.2. The PAMM Account service is designed to put Investors’ Investment Accounts under the control of the Manager. The Manager trades on financial markets with the Investors’ interests in mind. The PAMM Account combines Investors’ Investment Accounts into a single trading account to be managed by the Manager.

1.3. The Manager is an agent of the Investor in relation to the Investment Account and does not provide trust management of the Investor’s funds.

1.4. Only the Manager can carry out trading operations on the Investment Account.

1.5. Only the Investor can deposit/withdraw funds to/from the Investment Account.

1.6. All calculations both on PAMM Accounts and Investment Accounts, as well as the transfer of all types of remuneration to the Manager and Manager’s Partners are carried out by the Company.

1.7. Only the Manager may submit claims to the Company regarding the failure to fulfill or the improper fulfillment of any obligations related to trading operations on the Investment Account.

1.8. The Company shall keep the personal information of Investors, Managers, and Partners confidential and shall not release it to third parties.

1.9. When a Manager submits a claim relating to trading operations on their PAMM Account, deposit and withdrawal requests on the account will not be processed until a decision has been reached regarding the disputed operation(s). If a Manager has active deposit or withdrawal requests on their account, they are advised to submit their claim in as short a period of time as is possible to avoid violating the PAMM Account calculation rules.

## **2. Manager’s Capital**

2.1. As a guarantee to observe Investors’ interests, the Manager must be an Investor in his/her own PAMM Account. This is accomplished by the mandatory contribution of Manager’s Capital.

2.2. When registering a PAMM Account, the Manager’s Capital is transferred to the Manager’s Investment Account.

2.3. No remuneration is paid on the Manager’s Investment Account.

2.4. Managers must maintain a Balance on their Investment Accounts greater than or equal to the level of the Manager's Capital. The only way Managers can access their Manager’s Capital is by liquidating the PAMM Account.

2.5. The Manager can only increase the Manager’s Capital and may not decrease it.

2.6. Managers of public PAMM Accounts with more than 100,000 USD in Equity are not allowed to trade with more than 1:50 leverage on their accounts. When the equity level on a PAMM Account reaches 100,000 USD, the PAMM Manager must lower their leverage in myPure.

2.7. When creating a PAMM Account and transferring the Manager's Capital to the account, a Manager must determine whether their account will be public or private: a. Public PAMM Accounts appear in the full list of accounts on the site, and their monitoring becomes visible to all, plus a dedicated thread in the forum is created for this PAMM Account. The creation of a public PAMM Account requires the Manager to specify a nickname and password on the Company's forum. b. Private PAMM Accounts cannot be made public at a later time. c. The minimum amount of funds required to create a Public PAMM Account is published on the Company's website.

2.8. The name and description of a PAMM Account must not contain any of the following elements: obscene language or any elements that are insulting in nature, including racial, religious, nationalistic and ethnic slurs; guarantees of profits or other promises; direct or indirect references to competing companies or their advertisements; the word "Real FX"; the names of government officials and agencies; references to gambling or financial pyramid schemes; and references to the PAMM Accounts of other managers or other internet resources. The following elements can be used: the manager's first name and last name; the names of trading indicators; descriptions of an advisor or trading strategy; the denomination of the account; and any other elements that don't violate the restrictions listed above. The Company reserves the right to change the name of PAMM Accounts at its own discretion and without prior warning.

### **3. Manager's Proposals**

3.1. The Manager's Proposal ("Proposal") refers to the Manager's offer to potential Investors to open Investment Accounts within the Manager's PAMM Account.

3.2. The Proposal consists of a set of parameters that the Company uses to calculate the Manager's Remuneration, and also defines other conditions for opening Investment Accounts within the PAMM Account.

3.3. The Investor's acceptance of the Proposal does not bind the Manager and the Investor with contractual obligations and under no circumstances leads to the conclusion of a contract.

3.4. A Manager can create a Proposal immediately after opening a PAMM Account. The Proposal will be inactive and will remain inactive, and Investors will be unable to invest funds in the PAMM Account, until the Manager has taken the necessary steps to activate the account. Managers may only create one public Proposal, but may create as many private Proposals as they like.

3.5. To activate a Proposal and begin accepting Investor deposits, a Manager must first verify the information they provided while registering as a client of the Company by filling out an identity verification form. The terms for activating Proposals are available on the Company Site.

3.6. The Company allows Managers to create Proposals with one to ten different levels. Each level sets out the terms of Manager compensation at a particular level of investment in the PAMM Account. For public PAMM Accounts, the first level of a Proposal must have a minimum investment requirement of 100 USD. For private PAMM Accounts, 100 USD is the minimum level for the minimum investment requirement.

3.7. The Company reserves the right to block investor deposits on PAMM Account under the following circumstances:

- a. when fraudulent activity is suspected;
- b. when the forum rules are not observed;

- c. when there is not enough activity on the account's discussion on PAMM;
- d. when the Company's request to change a username or PAMM Account name which contains obscene language or any elements that are insulting in nature, including racial, religious, nationalistic and ethnic slurs are not fulfilled;
- e. in case of existing details approved for a manager's myReal to attract investors, the same details (and those of family members and affiliated persons) will not be approved. Detection of any overlap of a manager's details (passport details, address, e-mail, telephone, etc.) with other clients applying solely for the proposal will result in the latter's application being rejected.
- f. other reasons (including without prior warning or explanation).

#### **4. PAMM Account Rollover**

4.1. The PAMM Account Rollover ("Rollover") takes place on all PAMM Accounts at the beginning of each trading hour and may last for several minutes.

4.2. A Rollover can be either Active or Idle:

a. An Idle Rollover is used for gathering statistics and updating information on the PAMM Account and 5 Investment Accounts;

b. An Active Rollover is used for gathering statistics and updating information on the PAMM Account and Investment Accounts, calculating and paying remuneration to the Manager and Partners, and executing deposit and withdrawal requests;

4.3. The type of Rollover (Active or Idle) is determined by the Manager. A PAMM Account must have at least one Active Rollover per day.

4.4. If as a result of a technical malfunction a Rollover does not occur, the missed Rollover will take place at the beginning of the next hour after the malfunction has been fixed.

#### **5. Trading Interval**

5.1. A Trading Interval on an Investment Account begins on the date the Investment Account is activated (first deposit).

5.2. The length of a Trading Interval may be set at one, three or six calendar months.

5.3. The Manager determines the length of Trading Intervals on their PAMM Account when creating the Proposal.

5.4. The end of a Trading Interval designates the beginning of the following Trading Interval.

#### **6. Deposit of Funds to the Investment Account**

6.1. A request must be submitted in Legends FX Portal to deposit funds to an Investment Account.

6.2. Upon submitting the request to deposit funds, the corresponding sum will be debited from the Investor's Transitory Account in Legends FX Portal. If the deposit currency of the Investment Account and the Transitory Account are not the same, the deposit will be converted using the

Company's exchange rate.

6.3. Upon submitting the request to deposit funds, the request execution time is fixed. The request will be executed during the next suitable Active Rollover.

6.4. An Investor cannot cancel a request to deposit funds once it has been submitted.

6.5. When a request to deposit funds is submitted, it will be processed during the next Active Rollover (based on the settings in the Manager's Request Planner) at the current share price (at Rollover, not at the time the request is submitted).

6.6. In the case that funds are debited from the Investor's Transitory Account and the deposit is not made for any reason, it will be made at the next Rollover, once normal service has resumed.

6.7. In the case that the request to deposit funds for any reason is not fulfilled, it will be completed at the next Rollover, once normal service has resumed.

6.8. In the case that the request to deposit funds for any reason is not fulfilled, the share price for the request will be in accordance with the share price at the Rollover in which the request is fulfilled, once normal service has resumed.

6.9. Managers can change the time when an active deposit request will be processed, but only to an earlier time.

6.10. The Company can cancel a deposit request on a PAMM Account if non-trading operations are temporarily blocked on the account.

## **7. Withdrawing Funds from the Investment Account**

7.1. A request must be submitted in Legends FX Portal to withdraw funds from an Investment Account.

7.2. Funds withdrawn from the Investment Account will be transferred to the Investor's Transitory Account in Legends FX Portal in the deposit currency of the Investment Account.

7.3. After executing a request to withdraw funds from an Investment Account, the remaining Balance must be above the minimum Balance stated in the Manager's Proposal.

7.4. In order to withdraw all funds, the Investor must submit a request to close the Investment Account.

7.5. Upon submitting the request to withdraw funds, the request execution time is fixed. The request will be executed during the next suitable Active Rollover.

7.6. When a request to withdraw funds or close an Investment Account is submitted, it will be processed during the next Active Rollover (based on the settings in the Manager's Request Planner) at the current share price (at Rollover, not at the time the request is submitted).

7.7. In the case that a request to withdraw funds is not fulfilled for any reason it will be completed at the next Rollover, once normal service has resumed. The share price will be price at the Rollover in which the request is actually fulfilled.

7.8. An Investor cannot cancel their request to withdraw funds or close their Investment Account once the request has been submitted.

7.9. Managers can change the time when an active request to withdraw funds or close an account will be processed, but only to an earlier time.

7.10. The Company can cancel a request to withdraw funds or close an investment account if non-trading operations are temporarily blocked on the corresponding PAMM Account.

## **8. Manager's Partner**

8.1 The Manager registers a Manager's Partner ("Partner") by assigning the Partner a login and setting up the terms of the partnership.

8.2. There are two types of Remuneration: a. Acquisition Remuneration: This is paid as a percentage of the Manager's Share of Profit from Investors acquired by the Partner. b. Auxiliary Remuneration: This is paid as a percentage of the Manager's Share of Profit from all Investors in the PAMM-Account.

8.3. An Investor is considered to have been acquired by a Partner if when registering their Investment Account, the Investor indicates the Partner's login in one of the ways described on the Company's website.

8.4. The Acquisition Remuneration for the Investment Account will be fixed and equal to the current amount of Acquisition Remuneration set for the Partner.

8.5. The Partner's Remuneration is calculated by the Company according to the set terms of partnership between the Partner and the Manager. The Partner's Remuneration is calculated at the moment the Manager's Remuneration is debited from the Investment Account according to the accepted Proposal.

## **9. Calculations and Transfers on PAMM Accounts and Investment Accounts**

9.1 The Balance of an Investment Account is calculated according to the following rules: a. Every deposit of funds shall increase the Balance by the sum deposited; b. Every withdrawal of funds shall proportionately decrease the Balance in accordance with the operation; c. At the end of a Trading Interval, after Remuneration has been paid, the Balance of the Investment Account becomes equal to the Equity of the Investment Account.

9.2 The Equity of an Investment Account ("Equity") is calculated according to the following rules: a. every trading operation on the Investment Account increases/decreases Equity by the profit/loss on that operation; b. payment of the Manager's Remuneration decreases the Equity by the amount of the Remuneration; c. every deposit of funds increases Equity by the sum deposited; d. every withdrawal of funds decreases Equity by the sum withdrawn.

9.3. The Manager's Share of Profit is calculated by the Company using the following formula:  $(\text{equity} - \text{balance}) * \text{fee} / 100$ , where equity – Equity of the Investment Account; balance – Balance of the Investment Account; fee – Manager's Share of Profit in accordance with the relevant Manager Proposal. 7 When the results are positive, the Manager's Share of Profit is paid in the following cases: a. at the end of a Trading Interval on the Investment Account; b. an Investment Account is transferred to a different Proposal; c. when a partial withdrawal of funds is made from the Investment account (the Manager is paid a percentage of the compensation based on the amount

withdrawn); d. an Investment Account is closed; e. the PAMM Account is liquidated.

9.4. The transfer of funds to relevant accounts is carried out by the Company on the settlement date.

9.5 The following rules apply to calculations on PAMM Accounts: a. If the Manager's compensation is calculated as being between 0 and 0.01, it will be rounded up to 0.01, and this amount will be transferred from the Investor's Investment Account in the currency in which the PAMM Account is denominated. b. If a Partner earns less than 0.01 in compensation, the Partner's compensation will be rounded down to 0. c. If the total amount of compensation on the PAMM Account is 1 USD (or the equivalent in EUR or RUR) or less, compensation will not be paid out or recalculated.

## **10. Obligations of the Manager, Investor and Manager's Partner**

10.1. The Manager, Investor, and Partner guarantee to: a. hold all responsibility for compliance with relevant legislation, including, but not limited to, legislation related to currency, tax and other laws of the country of residence, including full responsibility for the management of Investors' accounts; b. provide true and accurate information when registering as a Company Client and when completing all documents related to these Regulations; c. to be completely and fully aware of and understand the meaning, terms and conditions of all accepted Company Regulatory Documents; d. to fully understand the consequences of one's actions in the enforcement of these Regulations.

10.2. Should this guarantee be breached, the Manager agrees to resolve disputes and settle the complaints of third parties resulting from his/her management of Investors' accounts at his/her own expense and using his/her own authority.

10.3. The Manager, Investor and Partner agree to keep access passwords to the trading platform and Legends FX Portal secure and confidential, and do not have the right to disclose these passwords to third parties. All actions related to the fulfillment of these Regulations and/or usage of login and password are considered executed by the holder of said information. The Company does not bear responsibility for the unauthorized use of registration data by third parties.

10.4. The Manager, Investor and Partner do not have the right to: a. assume responsibility on behalf of the Company or put the Company under any obligations; b. use the Company's brand name and/or trademark; c. publish or assist in any publications related to the Company in mass media, publish or distribute any articles and letters related to the Company or assist in the writing of such articles and letters in any newspapers, magazines and other periodicals, Internet blogs and forums without the Company's permission; d. make any guarantees and/or promises, or make any claims in relation to any payments on behalf of the Company or using the brand name and/or trademark of the Company; e. perform any other actions that may cause any damage to the Company or raise any complaints directed towards the Company by third parties.

10.5. If lawsuits or complaints are filed against the Company as a result of the Manager's failure to comply with 8 these Regulations, all losses suffered by the Company shall be fully compensated by the Manager.

## **11. PAMM Account Liquidation**

11.1. The liquidation of a PAMM Account leads to the liquidation of all Investment Accounts within the PAMM Account.

11.2 The Manager can initiate a PAMM Account's liquidation by making a liquidation request in



Legends FX Portal. All open positions on the PAMM Account must be closed before the Manager can liquidate the account.

11.3. The Company can initiate a PAMM Account's liquidation. All open positions will immediately be closed.

11.4. The Company reserves the right to liquidate a PAMM Account in the following cases: a. The level of return, as shown in the PAMM Account monitoring, has dropped to -95% or lower for 24 rollovers in a row. If this happens, the account will be liquidated automatically. b. The level of return, as shown in the PAMM Account monitoring, has remain unchanged for 100 consecutive trading days, indicating the absence of trading activity on the account. If this happens, the account will be closed automatically. c. There is suspicion of fraud. If this is the case, the Manager will be given prior warning about their account being liquidated. d. The Manager has failed to adhere to the rules of the Company forum. If this is the case, the Manager will be given prior warning about their account being liquidated. e. The manager has failed to respond to queries in their personal thread in the Company forum in a timely fashion. If this is the case, the Manager will be given prior warning about their account being liquidated. f. The Manager has used obscene language or language that is insulting in nature in the name of their PAMM Account or their nickname. g. For other reasons. The manager may or may not receive prior warning and explanation.

11.5. A request for a PAMM Account's liquidation is fulfilled during the next Rollover. The remaining net equity of investors and the Manager is automatically transferred to their transitory accounts.

## 12. Investment Account Expiration

12.1. Company policy regarding the expiration of investment accounts is as follows: a. Investment accounts with a positive balance will never expire. b. Investment accounts with a balance of zero will be moved to the archive. Archived accounts may not be restored.

12.2. Investors may close their investment accounts at any time.

## 13. Effective Duration and Amendments

13.1. These Regulations come into force for Company Clients the moment they are accepted in Legends FX Portal and cease to be in effect the moment the Client Agreement is terminated.

13.2. The Client acknowledges that the Company has a right to introduce amendments to the provisions of these Regulations at any time having given the Client written notification about the planned changes 3 (three) calendar days in advance. Such amendments shall come into force and are binding for the Client on the date specified in the notification.

13.3. For the purpose of these Regulations the following means of communication are considered to constitute written notification: a. email; b. an announcement on the Company's website.

## 14. Risks

14.1. The Company does not guarantee a profit. Positive trading results in the past do not guarantee positive trading results in the future.

14.2 The Manager, Investor and Partners accept responsibility for possible financial losses such as direct losses or lost profit resulting from the following risks: a. the risk that the Manager does not

possess the necessary qualification or knowledge required to manage Investors' funds; b. the risk that the Manager may not observe Investors' interests or may carry out fraudulent operations in relation to Investors' funds; c. the risk that the Manager may lose control over the PAMM Account; d. the risk that third parties may gain access to management of the PAMM Account; e. the risk that the Manager, Investor or Partner may misunderstand or misinterpret the Regulations; f. the risk that complaints may be submitted by the Manager to the Company in an untimely fashion concerning the completion of operations on the Investor's Investment Account; g. the risk of unforeseen delays in transfers between accounts or the untimely execution of deposit/withdrawal requests or the closing/liquidation of a PAMM Account; h. the risk of a PAMM Account's liquidation.

14.3 The PAMM Account manager and their investors are financially liable for any losses incurred on a PAMM Account. Their liability is proportionate to their share in the PAMM Account.

14.4. Under no circumstances does the Company bear responsibility for the consequences of such risks.

### **Miscellaneous**

15.1 All types of agreements drawn between the Company and its Clients on executing the terms and conditions of these Regulations may be concluded through post, email, fax or any other method of communication allowing the verification of the document's origin from the Company or the Client.

15.2. Should one or more provisions of these Regulations become invalid, null and void by any reason, it shall not affect the validity of any other provision hereof.

15.3. Should a clear interpretation of a term be absent from the text of these Regulations, of first priority is the interpretation given in the Regulations located in the "Regulatory Documents" section of Legends FX Portal and the Company's website (except the Client Agreement), then, of second priority, the interpretation given in the Client Agreement.