



**Grand Capital**

**THE REGULATION OF INVESTMENT  
SERVICE “MANAGED ACCOUNTS”**

## **1. GENERAL CONDITIONS**

1.1. The present Regulations contain rules and an order of granting to clients the service "Managed accounts" (further – Service).

1.2. Service "Managed accounts" consists in the following:

1.2.1 investor transfers, and the Managing director undertakes responsibility on consulting service of the Investor's trading account opened in the Company (further – the Investor's Managed account);

1.2.2 under consulting service of the Investor's trading account (further – Management) is understood as set of actions of the Managing director on fulfillment of trades with the financial tools, directed on profit earning on own account of the Managing director (further – the Master Account) and issue to the Investor of obligatory recommendations to execution on fulfillment of trades with financial tools. The specified recommendation is considered as fulfillment by Managing director of the trade on the Master Account;

1.2.3 the Company is authorized by the Investor on realization of effective transfer of recommendations of the Managing director on the Investor's managed account by duplication of trades of the Managing director on the Investor's managed account (further – the Duplicated trades).

1.3. The managing director and the Investor enter into the Agreement which general terms are stated in the present Regulations. The agreement is the offer of the Managing director. Concerning the Investor's managed account the Managing director performs functions of the Investor's agent and doesn't produce trust management by money of the Investor.

1.4. In Agreement action between the Managing director and the Investor on the Investor's managed account the Duplicated trades are possible only. Non-trading operations on the trading account are made by the Investor (concerning deposit/withdrawal of money funds) and the Company (concerning write-off and transfer of the Managing director's Compensation).

1.5. While realizing the process of consulting servicing of the Managed account the Managing director acts within the limits of own trading strategy which he has the right to open or not to open to the Investor. Strategy of the Managing director can provide

fulfillment of certain quantity of trades during the set period of time, accomplishment of trades according to signals of indicators and other conditions. All stated in the given point is special conditions of the Agreement between Managing and the Investor.

1.6. In terms of the granting of Service the zone of responsibility of the Company is limited to appropriate work of own technical part of Service and doesn't extend on result of work of the Managing director under the Investor's managed account.

1.7. The company is obliged to take measures to provide the confidentiality of the information concerning Investor and Managing director in relation to the third parties.

1.8. If client was impaired as a result of events, actions or defaults not depended on the Company and reasons beyond the control of the Company, including any delays in transferring, placing, executing the orders, distortions during the transferring of the orders and/or information because of failures, refusals or incorrect functioning systems of connection and data transfers, violation of the electricity supply, damages of Client computer or suitable equipment during the using of software or another, non-depended on the company reasons, the Company does not bear responsibility.

1.9. In case of inaccessibility to manage the account through the company web resources, because of the problems from the side of the Company, investor entitled to the benefit any way of communication to contact with the Company to give an order for any action with Client account (detachment from managing and etc.). If investor doesn't take this actions, the Company does not bear responsibility for actual damage.

## **2. THE MASTER ACCOUNT OF THE MANAGING DIRECTOR**

2.1. A necessary condition for the Managing director in terms of the given Service is availability in the Company of own trading account (Master Account) and realization of its management. Results of trading activities under the Master Account are displayed on the personal Internet page of the Managing director registered on a site of the Company in special section with base of Managing directors.

2.2. Opening the Master Account to the Managing director the Company (after depositing into the Master Account the minimum amount of funds):

2.2.1. Produces registration of the new Managing director on special page of the site

with the list of managing directors (further – Base of Managing directors);

2.2.2. Creates for the Managing director personal page (further – Personal page of the Managing director) on the site and the reference to this page from Base of managing directors. Data are located on the given page:

- A name (pseudonym) of the Managing director;
- Trade experience;
- Results of management of the Master Account (the open and closed positions with instructions of date and time, a sum of trade, availability of the postponed warrants adhered to positions, financial result of positions in currency of account management and in percentage to the account sum, the schedule of change of the capital);
- Special conditions of the Agreement with the Investor (the sum and conditions of the write-off the Managing director's Compensation, the description of the trading strategy elements applied by the Managing director).

2.2.3 will create to the manager the separate thread on the Forum

### **3. THE AGREEMENT OF THE MANAGING DIRECTOR AND THE INVESTOR**

3.1. The agreement of the Managing director and the Investor (further – the Agreement) is the offer of the Managing director and means the offer to potential investors to receive consulting servicing by joining of the trading accounts opened in the Company, to the Master Account of the Managing director.

3.2. The agreement contains general and special conditions. Agreement general terms are contained in the present Regulations, special conditions of the Agreement are described by the Managing director on its Personal page. Special conditions contain the parameters used by the Company for calculation of the sums of compensation of the Managing director.

3.3. Agreement undertaking between the Managing director and the Investor occurs in the form of the electronic offer on the Company site. In case of the Investor's consent with

general and special conditions of the Agreement, the Investor directs to the Managing director the consent (acceptance). The acceptance confirms accepting by the Investor of all general and special conditions of the Agreement entirely, partial accepting of conditions of the Agreement isn't supposed. During the moment when the Investor has wished to enter into the Agreement, on its trading account there should be a sum of money funds, sufficient for agreement undertaking. The minimum amount of the Investor's money funds for connection to Service is established by the Company.

#### **4. THE RIGHTS AND OBLIGATIONS OF THE MANAGING DIRECTOR AND THE INVESTOR**

4.1. The managing director is obliged:

- 4.1.1 to specify true information on the experience of trade on Personal page;
- 4.1.2 to observe legislation requirements, including (but, without being limited listed) currency, tax and other legislation of the country of residing;
- 4.1.3 to specify the authentic personal data at registration as the client of the Company, and also at registration of all documents concerning the present Regulations;
- 4.1.4 honesty and responsibly to approach the accomplishment of the obligations taken on consulting servicing of the Investor's Managed account;
- 4.1.5 completely to familiarize with documents of the Company regulating trade, including with the notification of the risks arising at trade by financial tools, to understand consequences of the actions concerning Agreement execution;
- 4.1.6 to resolve disputes and settle claims of the third parties in connection with its activity on consulting servicing of the Investor's managed account by own strength and at own expense;
- 4.1.7 to observe confidentiality concerning data on the Investor, which steels are known to the Managing director owing to discharge of duties on consulting servicing of the Investor's managed account;
- 4.1.8 entering ownership-legal relations with investors or giving any guarantees, to

act only on its own behalf.

4.2. The managing director has the right:

4.2.1 to specify on Personal page the supplementary information about the strategy it is so detailed, how much the managing director will consider necessary;

4.2.2 to cease/renew connection to the new accounts of the Master Account, that is to suspend/renew the offer of the Managing director by publication of the information on the termination/renewal of connection of the investors' new accounts to the Master Account of the Managing director;

4.2.3 to cease service before the Investors' Managed accounts connected to the Master Account, that is to terminate Agreements of the Managing director and the Investor in an order described in sections 8 and 9;

4.2.4 to have some Master Accounts for use of various trading strategy.

4.3. The investor is obliged:

4.3.1 To specify the authentic personal data at registration as the client of the Company, and also at registration of all documents concerning the present Regulations;

4.3.2 To observe legislation requirements, including (but, without being limited listed) currency, tax and other legislation of the country of residing;

4.3.3 Completely to familiarize with documents of the Company regulating trade, including with the notification of the risks arising at trade by financial tools, to understand consequences of the actions concerning Agreement execution;

4.3.4 to resolve disputes and settle claims of the third parties in connection with its actions on connection of the trading account to the Master Account of the Managing director by own strength and at own expense;

4.3.5 To observe confidentiality concerning data of the Managing director that appeared to be known to the Investor due to undertaking of the agreement;

4.3.6 Entering ownership-legal relations with the Managing director, to act only on its own behalf.

4.4. The managing director and the Investor also have no right:

- 4.4.1 To transfer to the third parties passwords from the Trade platform and the Private office and undertake to provide their safety and confidentiality. All actions performed concerning execution of Regulations and-or with use of login and the password, are considered performed as the given person. The company doesn't bear responsibility for unauthorized use registration given by the third parties.
  - 4.4.2 To undertake any obligations on behalf of the Company or to connect the Company any obligations;
  - 4.4.3 To use a company name and-or the Company trade mark;
  - 4.4.4 without the coordination with the Company to publish or promote publications in a press of any announcements, concerning the Companies, and also to issue, dispatch any notes (clauses, letters) or to promote a writing of notes (clauses, letters) in any newspapers, magazines and other periodicals, blogs, forums in a network the Internet, concerning to the Company;
  - 4.4.5 To give any guarantees and-or promises, to make any statements concerning any payments on behalf of the Company or with use of a company name and-or the Company trade mark;
  - 4.4.6 To make any other actions, capable to cause the Companies any damage or to entail a presentation of the Company of any claims (claims) from the third parties.
- 4.5 In a case if due to infringement by the Managing director of the present Regulations requirements against the Company any claims (claims) will be pushed, the Managing director undertakes to compensate in full all expenses (losses) suffered by the Company.

## **5. THE MECHANISM OF FULFILLMENT OF TRADING ACTIVITIES**

5.1. The managing director makes trading activities only on own Master Account. Regulations on fulfillment the trading activities on the Master Account is «Position about an order of interaction of the Broker and the Client» which is an integral part of the

service contract of the Master Account.

5.2. All trading activities made by the Managing directors on the Master Account, are duplicated on the Investor's managed account which has entered into with Managing the Agreement, since the agreement undertaking moment. Duplication of trading activity of the Managing director is understood as simultaneous opening/closing on the Investor's managed account of trading activity with similar characteristics (the trade instrument, the purchasing/sale, the accompanying postponed warrants).

5.3. The investor has the right to set up the coefficient of the transaction, which will be involved in each transaction on the Investor's Managed Account. Coefficient of copying the value of the transaction is the ratio of the volume of the transactions on the Master account to the volume of the same transaction of the Investor, which allows you to equate the risk of of the transaction of the Investor to the risk of the Manager, or to reduce it.

5.4. Any trading activity produced by the Managing director on the Master Account, is considered to be obligatory to execution by the recommendation to the Investor to make such trade and is duplicated on the Investor's Managed account during the Agreement action, except the following cases:

- 5.4.1 If the Volume of the Investor's trade, calculated according to item 6.3 of the present Regulations, is appeared to be lower than the minimum prize established by the Company;
- 5.4.2 If trading activity duplication on the Investor's Managed account is impossible due to insufficiency of the Investor's available funds, calculated with taking into account floating profit/loss, for opening of a new position.

## **6. COMPENSATION OF THE MANAGING DIRECTOR IN THE SYSTEM OF PAYMENTS COMMISSION "% PER TRANSACTION"**

6.1. For provision the justice of the calculations between the Investor and the Managing director, the Company transfers the percent of profit (further – the Managing director's Compensation) from all profitable trades on the Investor's managed account, to the special account of the Managing director.



6.2. The Managing director's Compensation is one of special conditions of the Agreement and is published by the Managing director on its Personal page.

6.3. When opening an account manager system determines the payments to the commission, on which he wants to work with investors in the master account.

6.4. The Managing director's Compensation is transferred after profitable trade is closed, and is equal to established percent of profit from the Investor's trade.

6.5. While registering the Master Account, the Managing director specifies the separate trading account opened for him/her in the Company to which The Managing director's Compensation is transferred in further.

## **7. COMPENSATION OF THE MANAGING DIRECTOR IN THE SYSTEM OF PAYMENTS COMMISSION "TRADING INTERVAL"**

7.1. For provision the justice of the calculations between the Investor and the Managing director, the Company transfers the percent of profit (further – the Managing director's Compensation) from all profitable trades on the Investor's managed account, to the special account of the Managing director.

7.2. The Managing director's Compensation is one of special conditions of the Agreement and is published by the Managing director on its Personal page.

7.3. When opening an account manager system determines the payments to the commission, on which he wants to work with investors in the master account, as well as the duration of the trading interval.

7.4. Deadline trading interval for the overall master account for all investors. After one trading interval automatically followed by another one.

7.5. Fee is transferred immediately after the trading interval, and is calculated using a special formula that takes into account the result of trade. If the result of trade is positive, the Performance Fee is charged if the negative is not charged.

7.6. Investor who is working on a system of payments by the Governing Committee "Trading interval" may not be able to withdraw funds from your account equal to the Fee at the moment.

7.7 When you exit the Office of Investor or the Manager, or Liquidation Account Manager, the calculation is as Benefits Manager at the moment.

7.8 While registering the Master Account, the Managing director specifies the separate trading account opened for him/her in the Company to which The Managing director's Compensation is transferred in further.

## **8. COMPENSATION OF THE MANAGING DIRECTOR IN THE SYSTEM OF PAYMENTS COMMISSION "MONTHLY FEE"**

8.1. For provision the justice of the calculations between the Investor and the Managing director, the Company transfers the percent of profit (further – the Managing director's Compensation) from all profitable trades on the Investor's managed account, to the special account of the Managing director.

8.2. The Managing director's Compensation is one of special conditions of the Agreement and is published by the Managing director on its Personal page.

8.3. When opening an account manager system determines the payments to the commission, on which he wants to work with investors in the master account.

8.4. Fee is transferred upon completion of each day's work with the manager of the Investor.

8.5. When you register master account manager sales indicates a separate account opened for him in the Company, which later transferred to the Performance Fee. When an application for investment, investor account with the points which are written off Fee.

## **9. FEATURE "THE MAXIMUM LOSS"**

9.1. An investor can state the "Maximum loss" in the Investor's Office at any time. When this characteristic is set in case if the equity is less than the sum stated, the Investor's account will come out of administration. The open orders will close at current prices Bid and Ask. The "Maximum loss" characteristic warrants the account comes out of

administration but doesn't warrant the balance to be equal the sum set.

9.2. The Company is not responsible for the accuracy of performance features, with force majeure circumstances, and the failure of equipment.

## **10. THE EXIT FROM MANAGEMENT BY THE INVESTOR**

10.1. Each Investor can terminate the Agreement at any time, having made an application for Agreement rupture in the Investor's cabinet.

10.2. The termination of the trades duplication on the Investor's managed account is performed right after accomplishment the procedure of the agreement cancelation by the Investor.

10.3. After agreement cancelation trading positions on the Investor's managed account, remained opened, are closed compulsorily under market quotations.

## **11. THE EXIT FROM MANAGEMENT BY THE MANAGING DIRECTOR**

11.1. Each Managing director can terminate the Agreement with the Investor at any time, having made an application for Agreement rupture in the Master's Cabinet.

11.2. The managing director warns the Investor about intention to terminate the Agreement 72 hours before by the notification of the Investor by e-mail and submits in the Investor 's Cabinet the request for switching-off the Investor's managed request for switching-off the Investor's managed director.

11.3. Agreement cancelation occurs in 72 hours after accomplishment by Managing director of the actions according to item 8.2. Simultaneously with it duplication of trades on the Investor's managed account stops, and the trading positions which have remained opened, are closed compulsorily under market quotations.

## **12. MASTER ACCOUNT LIQUIDATION**

12.1 Liquidation of the Master Account is accessible to the Managing director at any time and occurs in an order and after termination of Agreements with all Investors and repayments of cross liabilities. The wind-up procedure of the Master Account is initiated by the Managing director in the Investor's Office by application for Master Account liquidation. Master Account liquidation can be initiated the Company.

12.2. All Investors are notified about liquidation of the Master Account of the Managing director by e-mails right after application for Master Account liquidation.

12.3. Termination of Agreements of the Investors connected to the Master Account, subject to liquidation, occurs in 72 hours after accomplishment by Managing director or the Company of the actions stated in item 9.1. Simultaneously with it duplication of trades on the Investors' Managed accounts connected to the Master Account stops, and the trading positions, remained opened, are closed compulsorily under market quotations.

## **13. TERMS AND REGULATIONS ACTIONS**

13.1. The present Regulations are appeared to be part of the Agreement and come into force for the Managing director and the Investor from the moment of the acceptance of the Managing director's offer by the Investor, described in section 3. The regulations cease the action from the moment of Agreement cancellation.

13.2. The client recognizes that the Company has the right to make amendments to positions of the present Regulations at any time, having notified the Client in the writing form about planned changes 7 (seven) calendar days in advance. Such amendments come into force and become obligatory for the Client from the date specified in the notification.

13.3. The written notice for the present Regulations is one of following methods of communications: e-mail; items of mail; announcements in the section "company News» on the Company site.

## 14. **RISKS**

14.1. The company doesn't warrant profit earning. Positive results of trade in the past don't warrant positive results of trade in the future.

14.2. The investor and the Managing director accept possible financial losses in the form of direct losses or the missed profit as a result of following risks:

14.2.1 Risk of unfair observance of the Investors' interests or fraud actions of the Managing director concerning the Investors' means;

14.2.2 Risk of absence at the Managing director of qualification and knowledge necessary for management the Investors' means;

14.2.3 Risk of access of the third parties to account management;

14.2.4 Risk of misunderstanding or incorrect treatment of Regulations by the Investor or by the Managing director;

14.2.5 Risk of untimely submitting the claims by the Managing director to the Company concerning realization of trading activities at the Investor's managed account;

14.2.6 Risk of unforeseen delays while transferring means between accounts or untimely execution of requests for deposit/withdrawal or account termination/liquidation;

14.2.7 Risk of liquidation of the Master Account.

14.3 The company under any circumstances doesn't bear responsibility for origins of those risks and for their consequences.

## 15. **OTHER CONDITIONS**

15.1. All kinds of agreements which will be exchanged by the Company and Clients at accomplishment of the present Regulations conditions, can be concluded by an exchange by mail, electronic, facsimile or other communication allowing to establish authentically that the document proceeds from the Company or the Client.

15.2. In a case if one or more of the present Regulations positions are void for any

reason, not having legal force, such invalidity doesn't influence the validity of any other position of the present Regulations which will keep in force.

15.3. In case of absence of the unique interpretation of the term in the text of the present Regulations it is necessary to be guided by term interpretation: first of all - specified in the Client's agreement, in the second turn - in other Regulations of the Company.

15.4. The Company reserves the right to publish the statement of MT4 accounts of Managing Director to provide account history for investors on the Web site **grandcapital.ru**