

1. Applying Electronically: If you decide to apply to establish a Trading Account with Capital Markets Group, Ltd ("CMG"), you agree to receive a Risk Disclosure Statement, Trader Agreement, Trader Account Letter, and Off-Exchange Transaction Disclosure electronically.
2. Electronic Communications. Risk Disclosure Statement, Trader Agreement, Trader Account Letter, and Off Exchange Transaction Disclosure, and any notices, instructions, agreements, or any other communications regarding Transactions and your Account (all of which are referred to herein as the "Communications") may be presented, delivered, stored, retrieved, and transmitted electronically.
3. Executing Transactions Electronically: The Agreement and Transactions will be executed using electronic records and electronic signatures.
4. Consenting to Do Business Electronically: The decision whether to do business electronically is yours, and you should consider whether you have the necessary hardware and software capabilities. Your consent to do business electronically, and our agreement to do so, only applies to the establishment and maintenance of your account and the execution of transactions in connection with your account.
5. Withdrawal of Consent: You have the right to withdraw your consent to doing business electronically at any time. If you withdraw such consent, however, any communications or transactions between you and CMG during the period after your consent to doing business electronically, and before your withdrawal of such consent, will be valid and binding on all parties.
6. Changes to Your Contact Information: You should keep us informed of any change in your electronic or mailing address or other contact information.
7. Your Ability to Access Communications: When you select the "I Agree" button below, you acknowledge that you have the capability to access the communications.
8. Consent to Electronic Communications: When you select the "I Agree" button below, you consent to having all Communications provided or made available to you in electronic form.
9. Consent to Executing Transactions Electronically: When you select the "I Agree" button below, you consent to executing the Agreement and Transactions by electronic record and/or electronic signature.

Risk Disclosure Statement

This brief statement (even though not required for OTC Trading) does not disclose all of the risks and other significant aspects of trading in leveraged investments. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other circumstances.

1. Effect of 'Leverage' or 'Gearing'

Transactions in OTC accounts carry a high degree of risk. The amount of initial margin is small relative to the value of the OTC contract so that transactions are 'leveraged' or 'geared'. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss.

2. Risk-reducing orders or strategies

The placing of certain orders (e.g. 'stop-loss' order, where permitted under local law, or 'stop-limit' orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as 'spread' and 'straddle' positions may be as risky as taking simple 'long' or 'short' positions.

3. Terms and conditions of contracts

You should CMG about the terms and conditions of the specific currencies which you are trading and associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the full currency value).

4. Suspension or restriction of trading and pricing relationships

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. suspension of trading in any currency because of price limits, government intervention or "circuit breakers") may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions.

5. Deposited cash and property

You should familiarize yourself with the protections accorded money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

6. Commission and other charges

Before you begin to trade, you should obtain a clear explanation of all commission, fees, markups, markdowns, rollovers, interest rate differential and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

7. Transactions in other jurisdictions

Transactions on currencies of other countries in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade you should inquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

8. Currency risks

The profit and loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

9. Trading facilities

OTC business is not traded on a regulated market and therefore does not require open-outcry. Even though quotations or prices are afforded by many computer-based component systems, the quotations and prices may vary due to market liquidity. Many electronic trading facilities are supported by computer-based component systems for the order-routing, execution or matching of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the bank and/or financial institution. Such limits may vary; you should CMG for details in this respect. CMG offers trading in CFDs on shares, market indices CFDs, and futures CFDs; not trading in the underlying instruments themselves. CFD trading with CMG therefore does not entitle the Trader to dividends, delivery, or possibly certain other characteristics of buying or selling the underlying instrument. Furthermore, CFD and Foreign Exchange trading with GCI is not conducted on any futures or stock exchange and is not subject to the rules of any futures or stock exchange.

10. Electronic trading

Trading on an electronic trading system may differ not only from trading in the interbank market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

Disclaimers:

- a. Internet and System failures: Since CMG does not control signal power, its reception or routing via Internet, configuration of your equipment or reliability of its connection, we cannot be responsible for communication failures, distortions, delays, when you trade on-line (via Internet). Furthermore, any losses or foregone profits in Trader's account are the responsibility of the Trader and not CMG, even if software, hardware, or other system failures or errors contributed to such losses or foregone profits.
- b. Market risks and on-line trading: Trading currencies involves substantial risk that is not be suitable for everyone. See Trader Agreement for more detailed description of risks. Trading on-line, no matter how

convenient or efficient, does not necessarily reduce risks associated with currency trading.

- C. Password protection: The Trader is obligated to keep passwords secret and ensure that third parties do not obtain access to the trading facilities. The Trader will be liable to CMG for trades executed by means of the Trader's password even if such use may be wrongful.
- d. Quoting errors: Should quoting errors occur due to a dealer's mistype of a quote, errors in an automatic price feed, or an erroneous price quote from a dealer, such as but not limited to a wrong big figure quote, CMG will not be liable for the resulting errors in account balances. CMG reserves the right to make the necessary corrections or adjustments on the account involved. Any dispute arising from such quoting errors will be resolved on a basis of a fair market value of a currency or CFD at the time such an error occurred.

11. Jurisdiction

All transactions between client and CMG are governed in accordance with the regulations and ordinances of the Lake Victoria Free Trade Zone and any dispute arising between client and CMG shall be referred to the Financial Markets and Services Authority of the Lake Victoria Free Trade Zone for resolution unless specified by both parties in writing. The Lake Victoria Free Trade Zone is the exclusive venue and jurisdiction for all business activities between client and CMG.

12. Off-exchange transactions

In OTC trading, firms are not restricted to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarize yourself with applicable rules and attendant risks