



Application for LOYEX Trading

Please complete the application form below. If you have any questions about the application, please contact us.

Account Number (first 12 digits):

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Client ID:

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Please fill in the details of the person who will trade on behalf of the corporation (in case of a corporate client of Loyal Bank) **OR** the details of who is the trader on a personal account:

First name:	
Last name:	
Date of birth:	
Passport number:	
Nationality:	
Primary phone number:	
Email:	

CORPORATE DISCLOSURE AND DECLARATION (ALL FIELDS ARE MANDATORY) Only to be completed by corporate clients

Company name:	
Corporate registration number:	
Chairman/President:	
Managing Director/Vice President:	
Authorized signatories:	
Number of board members:	
On behalf of the legal entity/corporation, (required)	
<input type="checkbox"/> I/We declare that the corporation acts in its own name as specified above and not on behalf of any third party in respect of all matters related to this client relationship and that accordingly all funds to be deposited and traded on the account with Loyal Bank are its own funds.	
All corporate clients are required to complete the Due Diligence of Loyal Bank for corporations.	

Language for correspondence:


TYPE OF ACCOUNT

I/We wish to open the following account in accordance with the Loyal Bank's terms and conditions:

LOYEX Trader PRO account	<input type="checkbox"/> Standard <input type="checkbox"/> Pro
LOYEX MT4 based trading account	<input type="checkbox"/> Mini <input type="checkbox"/> Pro <input type="checkbox"/> Standard <input type="checkbox"/> Platinum
LOYAL GOLD account	<input type="checkbox"/> Gold account <input type="checkbox"/> Silver account

PLANNED INVESTMENT (please check the appropriate boxes)

FX trading	
FX options	
CFD trading	
Stocks trading	
Futures trading	
Contract options	
ETFs and ETCs	
Bonds trading	

CURRENCY

Choice of account currency (deposit):	
Estimated initial deposit:	
Estimated total deposit within one year:	

PRODUCT EXPERIENCE (please tick the appropriate boxes: all these fields are mandatory)

Years trading experience	FX	FX options	CFD	Stocks	Futures	Contract options	ETFs and ETCs	Bonds
None								
Less than 3 years								
More than 3 years								



DID YOU OPEN A DEMO ACCOUNT WITH LOYAL BANK?

No Yes, account number(s): _____

WERE YOU CONTACTED BY A MEMBER OF LOYAL BANK'S TEAM?

No Yes, by Mr. /Mrs. _____

HAVE YOU BEEN INTRODUCED TO LOYAL BANK BY SOMEBODY?

No Yes, introduced by: _____

INFORMATION ABOUT THE CHARACTERISTICS OF CERTAIN COMPLEX PRODUCTS AND THE RISKS ASSOCIATED WITH THESE PRODUCTS

Trading in financial products always involves a risk. As a general rule, you should therefore only trade in financial products if you understand the products and the risks associated with them. Before deciding to trade, the *client* shall ensure that he/ she understands the risks involved in products, trading and take into account his/ her level of experience. Loyal Bank cannot be held liable for losses caused by client's lack of any knowledge.

Foreign exchange trading (FOREX)

When trading in foreign exchange, the investor speculates in the development of the price of one currency relative to another, where one is sold and the other is purchased. By way of example, an investor may sell British pounds (GBP) against the US dollar (USD) if he expects that the USD will increase relative to the GBP.

Foreign exchange is traded as a margin product, which means that you can invest more money than is available in your account by borrowing money from Loyal Bank. Foreign exchange may be traded as FX Spot. FX Spot is the purchase of one currency against the sale of another for immediate delivery.

The currency exchange market is the world's largest financial market with 24 hour trading all working days. It is characterized, among other things, by a relatively low profit margin compared to other products. A high profit is therefore subject to a large trading volume, which is achieved for instance by margin trading as described above. When trading in foreign exchange, a gain net of costs, such as commission and spread, realized by one market player will always be offset by another player's loss. Foreign exchange prices are provided by third parties, not by Loyal Bank but 16 liquidity providers.

As foreign exchange is margin traded, allowing you to take a larger position than you would otherwise be able to base on your funds with Loyal Bank's service provider, a relatively small negative or positive market movement can have a significant effect on your investment. Foreign exchange trading therefore involves a relatively high level of risk. This makes the potential gain quite high, even if the deposit is relatively small. If your total exposure on margin trades exceeds your deposit, you risk losing more than your deposit.

Foreign exchange trading options (FOREX options)

FOREX option means that there is a right, but not an obligation, to buy or sell a certain amount of currencies at a predetermined price at a predetermined time in the future. In this case the investor speculates on movements on prices of currencies in the future. As an example, an investor may buy an option to purchase 10 million USD at a predetermined price denominated in a different currency on June 1st, 2013.

In the case of FOREX options the sale is set for a later date in future, but there are margins set at which all options are closed. Margins are subject to change and they are available in terms of use for LOYEX.

FX options allow individuals and firms to hedge against the risk of wide fluctuations in currency prices and they allow speculators to gamble for high profits with limited liability. The only risk in FX options is the amount of money that is paid to buy the option. There is no obligation to buy if the price change is not as the investor expected.



FX options market is not regulated and trades are done by agreement between buyer and a seller. There are American and European style FX options, American style options mean that it can be exercised at any time and a European style option means that the investor needs to wait till the expiry of the option to exercise it. Since FX options are a margin traded product they are subject to very fast changes in value depending on the movements of the market. Prices are not set by Loyal Bank, but given by the market and Loyal Bank is not responsible for changes in prices.

CFDs

A CFD - or Contract for Difference - is speculation in changes in values. The product allows you to speculate in future increases or decreases in the value of a specific asset, for instance a share. If your speculations prove to be correct, you will make a profit from the difference in value (less costs), but you will have to pay the difference in value (plus costs) if your speculations turn out to be wrong. Being tied to an underlying asset, the value of a CFD depends on that asset. CFDs are always margin traded (see the above paragraph on foreign exchange transactions). CFDs are never traded with Loyal Bank but third counterparty.

As CFDs are margin traded, allowing you to take a larger position than you would otherwise be able to base on your funds with third contractual party of Loyal Bank, a relatively small negative or positive movement in the underlying instrument can have a significant effect on your investment.

CFD trading therefore involves a relatively high level of risk. This makes the potential gain quite high, even if the deposit is relatively small. If your total exposure on margin trades exceeds your deposit, you risk losing more than your deposit.

Under abnormal market conditions, CFDs may fluctuate rapidly to reflect unforeseeable events that cannot be controlled either by the Loyal Bank or its contractual third party service provider or the *client*. As a result, the contractual service provider of the Bank may be unable to execute the *client's* instructions at the declared price and a 'stop loss' instruction cannot guarantee to limit the latter's loss.

Stocks

Stocks trading involve three main types of risk and they are economic risk, inflation risk and market value risk. Economic risk is risk of a recession or a slowing down of business activity in a certain sector. If there is a recession the values of stocks go down and the losses are very high. Inflation risk is the risk of inflation levels being high and high inflation lowers real returns. Market value risk is the risk of the market not seeing a good company that has an undervalued share as such and goes off to adjust the trade with another share that seems to be more attractive at the moment.

Inexperienced investors should keep in mind that funds for investments should be excess funds and that losses are always possible, regardless of the perceived risk of certain stocks.

There are many factors influencing the price of stocks and investors need to be careful to keep track of their investments and diversify the stock portfolio accordingly. Loyal bank is advising its clients to adjust the value of their investment to their experience in the market and their risk appetite. Loyal bank is not setting the prices, they are set by markets, and we are not responsible for any movements in prices.

A very good side of investing in stocks is that losses are limited to the amount invested. Stocks can also be viewed as a good long term investment because there are many industries where there are possibilities of high long term earnings. Another warning for investors is that the stock market does not necessarily need to be connected to performance of the underlying company. It is highly shaped by expectations of future performance, and past performance cannot be a good indicator of what the perception for future performance of a company will be.

It is important to understand the way stock markets work and which factors influence the price before investing into stocks. There are various stock exchanges that work differently. Liquidity of shares is also a factor to be considered. One company can have different classes of stock and it is therefore essential to completely understand the system before investing to minimize the risk.

Futures

Futures are a financial contractual obligation to buy a certain financial instrument or physical product at a predetermined time for a predetermined price. Futures contract specifies the predetermined quality and quantity of the asset to be



purchased. Futures contracts can specify physical delivery of goods or only a cash transaction. Futures allow trading with a high leverage.

The main difference between options and futures is that futures oblige the investor to buy the underlying asset, and options only offer a possibility to purchase the underlying asset.

Futures market is a very risky. It offers possibilities of high gains, but also bears a risk of losing the whole deposit with the broker, not just the initial margin. There are ways of controlling the risk and the investor should get informed about the ways to control price volatility in futures before they start trading.

The key feature of futures that needs to be kept in mind by investors is that after making a futures contract there is no way of getting out of it and the investor is obliged to buy the amount specified in the contract for the price specified in the contract. There are some futures that can be closed early, but in general they are a promise to buy a certain product in the future for a predetermined price.

Contract options

Contract options give the investor the right to buy a certain security at a given price, known as the strike price. For the investor, the risk is limited to the amount that was paid for the option. They have a similar risk profile to FX options. A great difference is that contract options are not a margin traded product and in case of exercising the option, the investor needs to have sufficient funds to purchase the underlying security at the predetermined price.

Contract options are a great way of diversifying the portfolio with a limited liability. In case the option is exercised the securities stay with their current holder and the only loss is the price paid for the option by the investor. If the option is exercised there are possibilities of high gains for the investor, and their only investment was the price that was paid for the option.

Depending on what the contract option is for there are various risk profiles of different investment. Investors should be prepared not to exercise the option and to lose the money they paid for the option in the first place. Prices are set by the markets and are subject to change. There are no guarantees and Loyal bank is not responsible for changes in the price.

ETFs and ETCs

ETFs- or Exchange Traded Funds, and ETCs- or Exchange Traded Commodities are securities that are created to track a certain index or a benchmark. They are traded on the stock exchange like a stock. ETFs and ETCs do not have the same level of risk and depending on which index or benchmark they were created to track bear different risks.

Their risk profile is similar to the risk of stocks or commodities. They are traded on the stock or commodities market and are meant to trace movements of the stock or commodities market, depending on which type the investor chooses to invest in.

They are a good way of lowering the risk of the whole portfolio because ETFs and ETCs trace a number of stocks or commodities and follow the movement of the market. They are generally less risky than other types of investment because of the diversification of risk that is held within this product. On the other hand the diversified risk makes it unlikely to create high profits in the short term.

Bonds

Bonds are one of the most basic and well known securities. Bonds represent an actual loan that was made to a particular company at a point. That is why the most important risk connected to bonds is the credit risk. Interest rates are higher when the risk of default by the underlying creditor is higher. Even though bonds are perceived to be a relatively safe investment, they are not. Inflation risk is also of increased importance since high levels of government borrowing is making countries more sensitive to inflation risks. Another great risk is that the borrower will not be able to reinvest at the same interest rates upon maturity. There are additional risks related to rating downgrades and liquidity risk, especially for nongovernmental bonds.

If bonds are a safe investment, they yield low returns and are therefore not very attractive. On the other hand, if they yield higher returns, they are more likely to default. The risk profile of bonds depends on who is issuing the bond and what kind of risks they have. Investors should get familiar with the basic features of organizations that are issuing bonds.



If you are dissatisfied with any tools, or any portion of the web site, or with any of these terms of use, your sole and exclusive remedy is to discontinue use of the tools and the web site.

I confirm:

- That I have an account with Loyal Bank Ltd, I have fully completed the Due Diligence of Loyal Bank and I would like to use the Bank's investment services.
- That the type of investment and the investment amount has been chosen by me taking my total financial circumstances into consideration and is by me considered reasonable under such circumstances.
- That I have read and understood the above statement of products.
- That the information provided by me and inserted in this form is correct and that I acknowledge that I shall be obliged to inform Loyal Bank immediately in case of any changes to this information.

I am applying for LOYEX service:

After my LOYEX account was opened, please credit my LOYEX account with (amount)
.....USD/EUR/CHF/GBP/JPY

By signing below, I hereby agree that I have received, read, understood, consented and accepted any and all of the above Conditions and 'Provisions For The Use of LOYEX Platform's and every other related terms and conditions. Please open my trading account and credit it with the above mentioned amount.

Date:

Name:

.....
Signatures: