

(For translation purposes only)

**Foreign Exchange Margin Trading
Covenant · Regulations**
(外国為替証拠金取引 約款・規程集)

TOKIWA Investments Inc.

Foreign exchange margin trading covenant

A customer that will engage in foreign exchange trading must conduct with their own self-judgment and own self-responsibility and the understanding of the characteristics and structures relating to this trading system. Performed the application for trading, and has grasped the contents enough. Henceforth, from the start of trading in our system, a customer confirms and consents the matters to the following items, based on "Financial Products Law" in regards with laws, ordinances and the business practices.

Article 1 (Purpose and Observance)

1. A contract with us for foreign exchange margin trading is established in this covenant.
2. We and the customer must observe this covenant and shall handle the trading according to this covenant.

Article 2 (Definition)

Each article in this covenant prescribed in the following terms are depended on each of the following clauses.

- (1) "foreign exchange trading" means exchanging or buying and selling between foreign currencies or between a foreign currency and this country's currency.
- (2) "cash settlement" means that the account deposit money with the balance of profit and loss by reversing trade without delivery.
- (3) "spot trading" means delivering the value of a foreign currency at an appointed fixed date.
- (4) "necessary margin" means the amount of money needed for performing foreign exchange trading
- (5) We can call a sum of business deposit money to be necessary when we perform settlement of differences business "an evidence amount of money that it is necessary".
- (6) "floating profit or loss" means the balance is calculated by the difference in market prices and customer's executed price of the unsettlement position.
- (7) "equity" means the amount of net worth in the customer's account, and is calculated by modifying a valuation of customer's deposit money with floating profit / loss.
- (8) "swap point" means the amount of money settled by adjustment of interest rate difference between a foreign currency and JPY or between foreign currencies.
- (9) "rollover" means postponing delivery day by receipts and payments of swap point when the settlement of trade is not performed.
- (10) "open position" means unsettled position.
- (11) "resale" means settling bought open position by cash settlement.
- (12) "repurchase" means settling sold open position by cash settlement.
- (13) "margin call" means a message from us that the equity became less than 50% of the necessary margin.
- (14) "loss cut" means reversing trade to prevent expansion of customer's loss.

Article 3 (Documents before the contract conclusion grant)

When there is a contract with a new customer, we have to issue the customer a document (we say "prior guide" as follows) which is about foreign exchange margin trading. And we will issue this covenant before the conclusion of the contract. We do not need a grant of prior guide ahead of time when we issued the prior guide. When there are changes in laws, ordinances and or rules during this period, we shall issue it again.

Article 4 (Self-responsibility for Risks and Confirmation)

We confirm that a customer approves the policies and written matters in this covenant after having grasped the contents to advocate to each article and trades on his / her in own judgment and own responsibility.

(1) "liquidity risk"

At the time of the closure of inter-bank market, spread expansion may happen and the rate delivery may become unstable, therefore trading cannot be realized by a stop of rate delivery.

(2) "leverage risk" (risk to move a large amount of funds by a small amount of funds)

This is done with a part of the money represented by the deposit money, a big loss may occur due to changes in market and the loss is not limited to the deposited money.

(3) "interest rate fluctuation risk"

When a customer sells a higher interest rate currency than Japanese Yen, he/she has to do the swap point equivalent to the interest rate difference between two currencies. In addition, this swap point is conducted by us through inter-bank market and will affect the deposit money depending on the customer's positions and due to everyday changes.

(4) "market risk"

A loss may occur through exchange fluctuation. Exchange market doesn't have limit width (a stop-high, a stop-low) like the stock market.

(5) "credit risk"

It is to carry a risk by a trust fall of us and the contract counter party (a financial institution dealing with us) on its backing on performing this trade. Deposit money from a customer is done on a "separate management" scheme, but because we deposit a part of customers' deposit to the counter party in over-the-counter transaction, we cannot return a part of it or the total amount of it when the counter party fell into bankruptcy and or the deposit money might be treated as a public credit.

Article 5 (the conclusion of a contract)

A customer must present a document mentioning the customer's consent that he/she will observe this covenant and will trade with due diligence and must be aware of the risks involving foreign exchange margin trading.

2. We shall not accept any orders of this trade before having received of the following documents from a customer.

(1) Application for Open Account and Agreement

(2) Risk Disclosure Confirmation

(3) ID verification

Article 6 (Opening an Account)

- (1) A customer will have to open a foreign exchange margin trading account (we say “customer account” as follows) in our company before this trading starts.
- (2) During the trading, we will handle the margin, fee, profit and loss by cash settlement, swap point, delivery currency, and other giving and receiving of money relating to this trade to the customer account and can process it.
- (3) Opening an account is established when we examine the degree of customer’s understanding for this kind of trade and the confirmation such as adaptability must be established..
- (4) We will not disclose the contents and the processes of examination of (3) and will not reply to any inquiry about any matters of our qualification process.

Article 7 (Refusal of an order)

We can refuse an order trade without any explanation to the customer, in the cases, to prevent illegal business practices and inflow of money for illegal investment purposes.

- ① When customer violates the prescribed sections in Article 5, including misstatements.
 - ② When a customer organized a group or represents a group secretly and applied it for business for personal gain.
2. When a fact of each foregoing paragraphs became clear after the start of trade, we can reverse trade the customer’s open position in calculation for the customer.

Article 8 (Clear statement of an order)

A form for foreign exchange trading to perform, kinds of currency, other contents of an order, and an execution method of an order, a customer directs beforehand in a range equal to the rule that we established.

2. When a customer gives an order, we have to confirm the name, ID number, and the password or the PIN number for personal confirmation. And a customer should choose in each in the following details.
- ① Types of currencies
 - ② Distinction of trade (buy or sell / open or close)
 - ③ Amount of trade
 - ④ Order contents (market / limit / stop loss)
 - ⑤ The price in the case of limit order or stop loss order

Article 9 (Handling of the deposit money)

The deposit money for foreign exchange margin being traded with us, we shall do the following.

- (1) By the start of trading, the customer deposit amount of money with us, we will determine the necessary margin to trade by the method that we establish.
- (2) Withdrawal of deposit money for foreign exchange trading, a customer must do it in a place that we established.
- (3) We can change the amount of trade margin, with the agreement of the customer due to changes in economic situation, and for trade margin of open positions the change(s) is applied in rollover.

Article 10 (Delivery settlement)

When a customer performs the settlement by delivery, the customer shall perform the declaration of intention by the method by the date and time we established. When we confirm the amount of the necessary deposit for delivery settlement in the customer’s account by our calculation method.

Article 11 (Cash settlement)

For open positions in this trading, a customer can perform cash settlement by reversing trade. In this event, we will subtract the amount for representative fees and overhead fees from the amount of selling and changes that will be applied in the deposit money from the customer account. We will add it to the deposit money when there is a gain, and we allot it from the deposit money when there is loss of money. The customer agrees that the sum of the deposit money may increase and/or decrease accordingly.

Article 12 (Changes in terms of payment)

When we change the terms of payment such for settlement fixed dates for foreign exchange trading, we will account for and will conduct accordingly based on natural disasters, violent changes in economic circumstances, as such things are unavoidable and unintentional.

Article 13 (Rollover)

When a customer did not perform the delivery settlement stated in Article 10 and the cash settlement stated in Article 11 by the date and time we established, we will demand profit and loss, swap point and fees by our calculation that will affect and change the customer’s deposit money. In addition, in currency pair, we will switch the amount of profit and loss to the account currency by our calculation and apply it to the customer’s deposit money. We will add it to the deposit money when there is a gain, and we subtract it from the deposit money when there is loss. The customer agrees that the amount of deposit money of the customer may increase and decrease accordingly.

Article 14 (Automatic loss cut system)

When a customer’s equity is lower than 30% of the necessary margin for this trade, we will do cash settlement a part or all open positions by reversing trade immediately without notifying the customer beforehand. The customer agrees to this with full commitment of the deposit money.

2. When the cash settlement of the foregoing clause is done, we will deduct the amount of loss from the deposit money from the customer’s account without notifying the customer beforehand. In addition, when the amount of

loss is bigger than deposit money in customer's account, the customer must pay the balance by a fixed date that we will set. When we have appointed the balance then the customer shall pay accordingly.

Article 15 (Notices)

When the following change occurred, we will send notification to the address or the location the customer stated beforehand.

- (1) Notice of change of the amount of trade margin for foreign exchange trading.
 - (2) Notice of change of important trading contents concerning foreign exchange trading.
 - (3) Notice of executed orders.
 - (4) Notice of open positions and the balance of deposit money at the end of each month, concerning foreign exchange trading.
2. For notices, we can transmit them through the email of the customer.

Article 16 (The loss of postponement of time)

When any reason of the following clauses occurs by the customer, the customer loses a postponement of time with regards to debt in the foreign exchange trading without any notification; the customer has to pay the debt promptly.

- (1) When a customer performs stop of payment, bankruptcy, or a start of civil affair reproduction procedure.
 - (2) When a customer's business license is suspended of a clearing house.
 - (3) When a customer took adjudication of bankruptcy or received a start of tutelage, maintenance for assistance for bankruptcy protection.
 - (4) When there is an order of provisional attachment, maintenance foreclosure or a foreclosure of notice is sent out about the customer's credit for foreign exchange trading or others.
 - (5) When there is a foreclosure or an auction procedure that was started about an object of the security which is the customer's credit for foreign exchange trading.
 - (6) When each clauses stated above applies based on foreign laws and ordinances.
 - (7) When, by any reason that a customer neglects a report in the change of address, and the customer's address cannot be unidentified is the customer's sole responsibility.
 - (8) When it becomes difficult or impossible to continue this trade due to mental, physical incapacity or death.
2. When for any reason due to the following clauses, the customer loses postponement of time, a debt for foreign exchange trading. With due notification, the customer has to pay the debt promptly.
- (1) When even a part of customer's debt for foreign exchange trading or others for us is delayed in accordance to the contract.
 - (2) When a foreclosure or an auction procedure has started about an object of the security which is the customer's credit (excluding foreign exchange trading).
(This will include the case(s) that fell under equivalency or similar based on foreign laws and ordinances)
 - (3) When a customer violates any part of this covenant or other promises.
 - (4) When there is a considerable reason for the need of credit maintenance other than each of the following clauses occurs.
3. When for any reason an instance in this article occurs, a customer must report to us directly with an appropriate document.

Article 17 (Force settlement)

When a customer lost profit in a limit of time stated in Article 16 or when we cannot confirm the intention of the customer for more than 1 year, in order to settle with the customer's credit debt, we can carry out cash settlement from the customer's open positions from customer's balance without notification. The customer agrees to this.

Article 18 (Offset)

When a customer carries out a debt to us for reason, a limit of time comes or a postponement of time is lost, we can offset this debt from the customer through credit for this trade in anytime, regardless of before or after the repayment period, without any notification. The customer agrees to this.

2. When we offset the foregoing clause, for the calculation of interest for our visitor, damages and deductions, the period is until the day of payment. The rate is 6% per year.
3. When we offset, stated in clause 1, we will apply the foreign exchange rate that we show at 17:00 of the day when settlement currency is different.

Article 19 (Prohibition such as leaving the matter entirely for buying and selling)

We will not engage in any acts stated in the following clauses for accepting an order of foreign exchange trading.

- (1) To let the trade conclude without taking instructions from a customer, whole or a part regarding each matter stated in Article 8.
- (2) To have any dealings without taking instructions of the customer as the trading depends on the calculation of the customer.

Article 20 (Disposal of security)

The security that a customer deposits for foreign exchange trading, is secured for all the debt of the customer in the present and the future.

Article 21 (Disposal of safekeeping)

When a customer does not carry out payment of debt for foreign exchange trading, we can dispose movable property or securities from the customer. And the customer approves and agrees that the disposal will be handled according to the preceding article(s).

Article 22 (Appointment of appropriation)

When there is a payment of debt to us from a customer, if the balance of the customer's account is not enough to let the total amount of the debt to be extinguished, we can appropriate the security for the repayment of debt by turn method.

Article 23 (Payment of late charges)

When a customer neglects to observe the contract of debt for this trading, the customer must pay late charges by our calculation and rates, from the next day of the contract fixed date (including that date) to the paid day (including that date).

Article 24 (Prohibition such as assignment of accounts receivable)

A customer cannot transfer or leave the security to another person due to the credit from the foreign exchange trading without our agreement.

Article 25 (Overhead)

A customer has to pay the transaction fees, a remittance fee and other overheads that we established separately.

Article 26 (Tax)

A customer has to pay tax depending on the trading done, in which, the customer has sole responsibility for this.

Article 27 (Change Report)

When there are changes in the full name, business name, seal or signature, in which the customer has reported to us, then the customer has to report promptly the following changes with document(s) to us.

Article 28 (Making Reports and Presentations)

1. When we are demanded by laws and ordinances of Japan, we must report the contents of foreign exchange trading and others, of a customer to government offices in Japan. And the customer cannot have any objection regarding this matter. In this case, a customer cooperates in making such documents for reports and or others with instructions from us.
2. All damages and cost occurred in making these documents, based on the rule of the foregoing clause, the customer cannot claim anything from us.

Article 29 (The cancellation of contract)

When either of the following clauses occurs or a matter applies stated in Article 16, this covenant shall be canceled promptly. At the cancellation of contract if an unsettlement account of foreign exchange trading remains or if a debt based on this covenant to us remains, this covenant shall have effect in the limit that is necessary for the settlement until the settlement is finished.

- (1) When a customer proposes the cancellation of contract to us.
 - (2) When a customer violates any part of this covenant. We will give notice of cancellation of this covenant.
 - (3) When, other than clauses stated before, we can propose the cancellation of a contract to a customer due to unavoidable reason(s).
2. In this case, a customer must follow our predetermined procedure of processing when there is a balance in the account.
 3. When this cancellation occurs, a customer must pay actual expenses that we need each time.

Article 30 (Immunity from responsibility)

About the damages stated in the following clauses, a customer cannot make any request to us.

- (1) Any damages for the reason, in the execution of foreign exchange trading, receiving of money or deposition delayed or if it becomes impossible, due to natural disasters, political changes, war, disturbances, sudden changes in foreign currency circumstances, closedown of foreign exchange market or others are considered unavoidable.
 - (2) Any damages for the reason, that we do not accept an order of foreign exchange trading from a customer because of closedown of the foreign exchange market or changes in laws.
 - (3) Any damages for the reason, due to technical difficulties such as Internet connectivity problems, postal errors or delays.
 - (4) Any damages for the reason, that the return of deposit money or other processing is performed by collating our codes to codes shown in foreign exchange trading with considerable attention and other things also recognized by us.
 - (5) Any damages for the reason, the return of deposit money or other processing is performed by collating a seal of report or signature with use of predetermined documents to an imprint or a signature with considerable attention and recognized also by us.
 - (6) Any damages for the reason, that for any troubles and malfunctions of hardware and or software of the computer of the customer occurs, or trouble and malfunction of the system online or software from other sellers or a third party.
 - (7) Any damages for the reason, that an open position is settled by a loss cut.
2. When an order and the execution of trading is not performed in the contents in which a customer hopes for, due to the reason of the foregoing clause.
 3. When many notices of the past trading that we sent to with the customer's name, address, or an office address or e-mail address that the customer reported to us is delayed or does not arrive for any reason that does not come to our attention; for example the customer moves or is absent, etcetera.

Article 31 (Limit for compensation of damages)

When there is a damage that occurs in trading because of errors in the computer system and or in telecommunication lines, we will not recompense any profit which a customer may have gotten. For such things are unintentional and are caused by technical errors.

Article 32 (Applicable law)

This covenant is established based on laws of Japan, and shall be interpreted accordingly. In addition, the original of this covenant shall be made in Japanese. Even if the English version was made, it does not have any influence on interpretation of the original.

Article 33 (The agreement jurisdiction)

When we need to exercise a lawsuit about a foreign exchange trading between a customer and us based on this covenant, we agree to pursue such lawsuit in the Tokyo region court of law an agreement of exclusive jurisdiction court of law in the first instance.

Article 34 (A change of terms of contract)

When we establish the time limit of acceptance, refusal and or offer a change to the customer, if the customer did not propose any objection in a set period of time, we will assume that the customer agreed to the changes.

Article 35 (Property of over-the counter transaction)

There is no the physical location for foreign exchange trading unlike the stock exchange. Most foreign exchange trading including inter-bank transaction (between banks) is performed by over-the-counter transaction based on a contract for the parties concerned. Therefore, the exchange rate and the swap point, reference rate and the trade price which are shown by various forms information media for example; television, radio may not be the same with our own.

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Online trading (i-Trader System) regulation

Article 1 (Purpose of this regulation)

The following regulation prescribes the details about the i-Trader system" (we say "this system" as follows) that is used by a customer as a means of communication when the customer conducts foreign exchange margin trading (we say "this trading" as follows) in Tokiwa Investments Inc. (we say "we" as follows) with the following covenant particularly determined.

We and the customer contract for online trading in foreign exchange margin trading according to this regulation.

Article 2 (Settings and Uses of ID number and password)

1. When a customer conducts this trading, we will create an ID number and password for the customer. When the customer trades, the ID number and password are necessary.
2. A customer can use only his/her own ID number and password. It is prohibited to lend to any third person or transfer such identification.
3. We recognize a customer's identity through confirmation of ID number and password.
4. We will not take any responsibility for damages that we collate ID number and password which we manage with considerable caution. Thus, we will recognize and accept an order of trading and handle that order appropriately.
5. Please manage your ID and password with the utmost responsibility. We will not take any responsibility for damages when an ID number and or password is leaked out, stolen or due to any fraudulent activities, etcetera.

Article 3 (Use of service)

A customer shall propose the kind of trading in mentioning the necessary matters in the application which we had determined, and when we accept it, the customer can trade according to this regulation. In addition, we may request the customer to present confirmation.

Article 4 (Observance for laws and ordinances)

At this trading we and the customer observe "Financial Products Trading Law" and other laws and ordinances.

Article 5 (Principle of self-responsibility)

A customer must fully understand this regulation enough to trade in their own responsibility and judgment after having understood the risks and peculiar characteristics of foreign exchange margin trading.

Article 6 (User name for trading)

1. At this trading, a customer has to use their genuine address and full name.
2. A customer has to use the same address and full name identical with the identification documents.
3. A customer can not use an address of another person.
4. The account name of bank withdrawal must be similar. In addition, we do not perform a withdrawal or deposit to an account besides the customer's own.
5. When the address or full name is changed, please immediately report it to us in an application which we determine.

We consider that the contents and the documents concerned have arrived, sending them to the address reported by the customer.

Article 7 (Trading time)

We will set time for the customer for trading. However, due to technical difficulties or repair we may stop a part or all the services without previous notice.

Article 8 (Kinds of trading)

We will establish the kinds of currencies or others which a customer can trade using this trading. However, due to technical difficulties or a change in economic circumstances, it may be that we cannot accept a part or all of orders without previous notice.

Article 9 (Limit of trading)

The amount that a customer can order by this trading is in the range which we determine, and the range of the amount of money that we also determine.

Article 10 (Margin)

The amount of deposit margin for starting this trading and for keeping positions is based on our "outline of trading."

Article 11 (Deposit and withdrawal)

1. Deposit from a customer is performed by transfer from financial institutions such as banks.
2. Withdrawal from a customer is performed by transfer to an account of financial institutions such as banks which the customer reported beforehand. In addition, we only accept which the customer requests in the time we determine for the withdrawal.

Article 12 (Range of amount for trading)

An amount of money that a customer can trade using this trading each time which is the upper limit with the equity and range we determine.

Article 13 (Turn of settlement of positions)

Because there is no appointment of positions which are closed by reversing trade, even if a customer has both

counter-positions (buy and sell), we will not take any responsibilities from the result of not having been appointed positions at all.

Article 14 (Reception of an order)

An order by this system which we consider a reception of the order when we received the transmission of the data after the customer transmitted it.

Article 15 (Cancellation or change of an order)

A customer can perform cancellation or change of an order only when the order is unexecuted. We will not accept a change after it has been executed, regardless of any reason.

Article 16 (Carry out)

1. We carry out the order that a customer performed in this trading immediately.
2. When the order applies to each of the following clauses, we will not carry out the order until it is dissolved after our notice. In this case, we will not take any responsibility for the damages caused by this to the customer by not carrying out the order.
 - ① When a content of an order by a customer is against regulations.
 - ② When the account balance of a customer is not enough for the necessary margin.
 - ③ When we judge that there is a danger in which the deposit of a customer for this trading might get short by changes in the market.
 - ④ In addition, when we judge that it is inappropriate according to the practices of trading.
3. When we recognize that the order applies to foregoing clauses after we accepted the order from a customer, we can cancel the order when the order is unexecuted.
4. Without affecting the rule stated in clause 2, when we accepted an order from a customer and the order has been executed, we will not take any responsibilities for the damages to the customer. In addition, if the deposit margin or other cost for the trading is not enough, the customer must deposit the deficiency by the next business day.
5. Even if we judge the order that applies to each parts of clause 2, though there is no facts in which to apply it to each parts stated in clause 2 and so, any damages that will occur to a customer from this, we will not take any responsibility, for such things are unintentional.

Article 17 (Inquiry or execution of an order)

A customer can inquire about order contents of this trading.

Article 18 (Confirmation of trading contents)

When there is a doubt about an order between a customer and us, we will refer to the recorded contents of data encoded by the customer at the time of use.

Article 19 (System malfunction)

When the system is unusable because of errors, bugs or heavy congestion of the telecommunication line, a customer can conduct trading by telephone.

Article 20 (Immunity from responsibility matter)

1. Any damages to a customer that occurred during trading applies to each of the following clauses, we will not take any responsibility.
 - ① For the trading, that we had confirmed the ID number and password correctly.
 - ② The trading that applies to these regulations stated in Article 16 Clause 2.
2. Any damages for the reason that an order was executed or unexecuted because each next clause occurred, we will not take any responsibility for this.
 - ① A delay, inability, or malfunction of communication due to an error or faulty telecommunication line and communications equipment, or computing system machinery.
 - ② The damages that occurred in a system malfunction from our server is unintentional and are caused by errors.
 - ③ A defect or an error in the telecommunication line or system machinery by inevitability causes such as natural disasters.
 - ④ Misunderstanding or lack of understanding of a customer about trading contents and usage.
3. We will not take any responsibility to any the damages resulting from heavy congestion of lines.

Article 21 (A change or cancellation of service)

We may change the contents of service or cancel without previous notice.

Article 22 (Limit of service)

1. A customer can use information provided in this trading only as documents of the investment by the customer himself / herself, and cannot be used for other purposed besides it. (including the following clauses, but not limited only to these)
 - ① Use for commercial profit
 - ② Processing or reusing of information
 - ③ An act of a customer disclosing password(s) to a third person and or offers its use.
 - ④ The joint use with the third person except the customer.
2. When, based on our judgment, the usage of information by the customer is beyond the range of normal trading, we can also set limits for the usage of service or stop it entirely.

Article 23 (Cancellation of service)

1. We can cancel service in the case of either of each next clause without any notice.

- ① When a customer offered a cancellation of use with the procedures we determined.
 - ② When a customer violates this regulation, laws and ordinances.
 - ③ When we offer cancellation due to unavoidable reason(s).
 - ④ When based on our judgment that to continue trading does not apply in the common idea.
2. When we cancelled service by the foregoing clause, we will settle the account of the customer and pay entirely.

Article 24 (Prohibition of the service use)

When we judge that it is unsuitable for the customer to do this trading, we can refuse the use of service.

Article 25 (Damage due to changes)

For the damages due to changes, cancellation, limit or prohibition of service which are stated in Article 21 to Article 24. We will not take any responsibility for such.

Article 26 (Governing law and the agreement of jurisdiction)

1. This contract will be governed under Japanese laws.
2. All disputes arising from this trading between the customer and us will be handled by the Tokyo region court of law an exclusive agreement competent court.

Article 27 (Revision of this regulation)

1. When there are changes in laws, ordinances, instructions of competent authorities or others and we need to produce these official regulations. We can revise it.
2. When we revised this regulation based on the foregoing clause, we will notify the customer by a predetermined method. After the notice of the revision, we will assume that the customer agrees to the revision either earlier or when the customer starts to trade or when two weeks have passed.

Article 28 (others)

Any matters which are not mentioned in this regulation, the customer and we will depend on the laws, ordinances, rules and regulations of our office.

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