



The parties to this agreement are: **Knightsbridge Foreign Exchange Inc ('Knightsbridge')** of Toronto, Ontario, Canada and the client named in the account opening form attached to these terms and conditions (the 'Client') (the 'Account Opening Form').

1. INTRODUCTION

1.1. Knightsbridge provides facilities for the purchase or sale of currencies for both commercial and personal purposes. Knightsbridge provides its services to clients for the fulfillment of international payments and/or hedging of assets. Knightsbridge discourages using a foreign currency for speculative purposes.

1.2. The Client wishes to enter into a contract or contracts for the purchase, sale and delivery of currency with Knightsbridge and the Client agrees with Knightsbridge that all transactions shall be carried out on the terms and conditions (the 'Terms') set out herein. The Client confirms that:

(a) it has or will have a personal or commercial need for the currency which is the subject of each transaction and no transaction will be for the purpose of speculation or investment; and

(b) it is acting on its own account as principal and not on behalf of any other person.

1.3. Please note that foreign currency exchange rates are subject to fluctuations outside the control of Knightsbridge. Historical performance is no indicator for future performance.

1.4. It is important that the Client reads and understands these Terms, which will apply to all dealings between the Client and Knightsbridge. If there are any terms that the Client does not understand or does not wish to agree to, it should discuss it with Knightsbridge before signing the Account Opening Form. The Client should only sign the Account Opening Form if it agrees to be bound by these Terms.

2. KNIGHTSBRIDGE'S SERVICES

2.1. Knightsbridge will, when it agrees to do so, enter into contracts for the sale, purchase and delivery of currency ('Contracts') with the Client. Contracts may, without limitation, include:

(a) spot contracts under which currency is bought and sold for delivery immediately against receipt of payment;

(b) fixed forward contracts under which currency is bought and sold for delivery at a fixed future time;

(c) open forward contracts under which currency is bought and sold for delivery at a time subsequently instructed by the Client within an agreed period or, failing such instructions, at the end of the agreed period; and

(d) limit orders under which currency is bought and sold for delivery if and when an agreed exchange rate is available.

2.2. Knightsbridge will not provide advice to the Client upon the merits of a proposed currency transaction or provide taxation or other advice to the Client (although it may provide information to the Client from time to time). In entering into a Contract the Client must not treat any information or comments by Knightsbridge as advice and must rely only on its own judgment (or the judgment of any third party adviser).

2.3. Except as otherwise expressly agreed by Knightsbridge in writing, the Client must take physical delivery of and pay for the applicable currency on the date specified in the Contract Note (as defined in Clause 3.2) ('the Maturity Date'); and, if security deposits are required by Knightsbridge as set out in the Contract Note or under Clause 4, to make such payments at such time or times as Knightsbridge may require to fulfill the Contract.

3. INSTRUCTIONS

3.1. The Client may give Knightsbridge oral instructions by telephone or written instructions relating to a transaction for the purchase or sale and delivery of currency (the 'Order'). The Client may authorize any other person (an 'Authorized Person') to give Orders on its behalf and Knightsbridge is entitled to act upon instructions which are or appear to be from the Client or any Authorized Person. You agree that your Orders by telephone may be recorded.

3.2. Following receipt of an Order, Knightsbridge shall, if it is willing to accept the Order, fax or transmit electronically to the Client a

confirmation of the details of the Order (the 'Contract Note').

3.3. Within ten minutes (or such longer period as Knightsbridge may allow) of transmission of the Contract Note, the Client should check, complete, sign and return the Contract Note to Knightsbridge by fax or other agreed means. Whether or not the Client does this, the Contract will be binding (and Knightsbridge's and the Client's rights under these terms shall apply)

3.4. The Client may only amend or cancel the Contract Note if Knightsbridge expressly agrees in writing (and any such amendment or cancellation shall be on the conditions specified by Knightsbridge) or otherwise in accordance with the provisions of Clause 3.7.

3.5. Knightsbridge may at its absolute discretion refuse any Order or instructions given by the Client without giving any reason or being liable for any loss the Client suffers as a result of such refusal.

3.6. Knightsbridge may (but shall not be obliged to) require further confirmation or information from the Client or Authorized Person of any Order or instruction if:

(a) Knightsbridge considers that such confirmation or information is desirable or that a Order or instruction is ambiguous; or

(b) the instruction is to close the Client's account or to remit the Client's funds to a third party.

3.7. The Client may request Knightsbridge to terminate a forward contract entered into under these Terms prior to the Maturity Date of such contract by giving thirty (30) days' written notice to Knightsbridge (or such shorter notice period as is acceptable to Knightsbridge) by fax or email. Termination of such contract shall be subject to the Client indemnifying and holding Knightsbridge harmless from any and all liability, claims, damages, costs and expenses (including without limitation all foreign exchange losses or loss of profits) resulting from the termination of the forward contract.

4. PAYMENT

4.1. The Client shall pay by electronic funds transfer (or by such other means as agreed with Knightsbridge in any particular case) in cleared funds into a bank account nominated by Knightsbridge (the 'Transaction Account') the full value of (a) the currency to be sold or purchased (including all applicable fees and charges) by the Client under the Contract (the 'Sale/Purchase Currency'); and (b) in the case of any forward contract, such deposits as may be specified in the Contract Note and/or as Knightsbridge may subsequently notify the Client from time to time. Failure by the Client to pay the aforementioned amounts shall relieve Knightsbridge of any obligation to make any corresponding payment it may be required to make under the relevant Contract.

4.2. (a) The Transaction Account shall be held as a client trust account. This means Knightsbridge shall hold the money in this account in trust for its clients for the purposes set out in Clause 4.2(b) and shall only make payments out of the Transaction Account or apply sums held in it in accordance with client instructions, or as otherwise specified in clause 4.2(b).

(b) The purposes for which money in the Transaction Account is held and may be applied, withdrawn or transferred by or on behalf of Knightsbridge are:

(i) settlement of transactions between Knightsbridge and any of its clients;

(ii) payment of other sums due and payable to Knightsbridge by Knightsbridge's clients under these Terms or under any Contract including without limitation advance or installment payments, bank charges and interest;

(iii) payment of sums due to Knightsbridge's clients in accordance with their instructions;

(iv) repayment to Knightsbridge of funds belonging to it; and

(v) withdrawal or retention of interest by Knightsbridge in accordance with Clause 5.2.

(c) The Transaction Account is one in which money received from all Knightsbridge's Clients is pooled and applied as set out in Clause 4.2(b) for all of Knightsbridge's clients. It is not an individually segregated account of the Client.

4.3. The Client must make sure cleared funds are received in the Transaction Account for the full amount of the Sale/Purchase Currency and any applicable bank charges on or before the Maturity Date.

4.4. Knightsbridge may, but shall not be required, to make any payment under any Contract without first having received confirmation satisfactory to it that cleared funds for all sums due and payable by the Client to Knightsbridge have in fact been received.

4.5. The Client must make all payments under these Terms in full without any deduction, set-off, counterclaim or withholding of any kind.

4.6. Knightsbridge may deduct from any payment to be made to the Client any amount the Client may owe to Knightsbridge or any fees, costs, taxation liabilities, or charges incurred by Knightsbridge in respect of any transaction with the Client, however they arise.

5. INTEREST

5.1. If the Client fails to make any payment required under these Terms when it falls due, interest will be charged on the outstanding sum at a rate of five (5) per cent per annum over the prime rate of Knightsbridge's bank. Such interest shall accrue and be calculated daily from the date payment was due until the date the Client pays in full and shall be compounded monthly.

5.2. Knightsbridge may receive and retain or apply for its own any interest which arises in respect of any sum paid into the Transaction Account.

6. CHARGES

Knightsbridge's charges will be as set out in the Contract Note. The Client understands that because Knightsbridge deals as principal the exchange rate it offers the Client will not be the same as the rate Knightsbridge obtains itself.

7. DISPUTES

If a dispute arises between Knightsbridge and the Client relating to the existence or terms of any Contract (a 'Disputed Contract'), Knightsbridge may terminate the Disputed Contract or take any other action it reasonably considers appropriate in relation to the Disputed Contract (which may include suspension of performance of the Disputed Contract) pending settlement of the dispute without previously notifying and/or without having received instruction from the Client. Knightsbridge will try to notify the Client (orally or in writing) of the action it has taken, as soon afterwards as it practically can, but if it does not, the validity of its action shall not be affected.

8. REPRESENTATIONS AND AGREEMENTS

8.1 The Client represents to Knightsbridge that, both at the date of acceptance by the Client of these Terms and at the time each Order is made and Contract is entered into and carried out:

(a) the Client is acting as principal for its own account and has full power and authority and has taken all necessary steps to enable it lawfully to enter into and perform these Terms and every Contract under these Terms;

(b) all sums paid to Knightsbridge under these Terms belong to the Client and are not subject to any charge or other rights of third parties;

(c) all information supplied to Knightsbridge by the Client is, or at the time it is supplied will be, accurate in all material respects and the Client will not omit or withhold any information which would make such information inaccurate in any material respect; and

(d) the Client has a valid commercial or personal reason for requiring the currency it buys or sells under each Contract, will not enter into any Contract for investment or speculative purposes and will take physical delivery of the currency bought.



8.2. The Client will provide to Knightsbridge on request such information regarding its financial and business affairs and/or identity, as Knightsbridge may reasonably require (including without limitation any information required for Knightsbridge to be able to comply with its anti-money laundering or other regulatory obligations).

9. ADDITIONAL CONDITIONS FOR FORWARD CONTRACTS

9.1. The Client will be required to notify Knightsbridge not less than 2 days before the Maturity Date (for forward contracts) or not less than 2 days before the draw down date (for fixed open forward contracts) with the details of the beneficiary, the payment means, and delivery instructions.

9.2. Knightsbridge will require a security deposit from the Client for each order for a forward contract and Knightsbridge will be entitled to request from the Client additional security deposits in such amounts as Knightsbridge shall determine in the event of exchange rate fluctuations at any time prior to the Maturity Date.

9.3. Subject to Knightsbridge's agreement the Client may draw down against an open forward contract at any time up until its Maturity Date.

9.4. Knightsbridge may agree with the Client at any time prior to the Maturity Date to extend the Maturity Date for all or part of a forward contract provided that such agreement shall be subject to such terms as shall be determined by Knightsbridge in its sole discretion.

10. LOST DRAFTS

10.1. In the event that a foreign currency bank draft ("Draft") issued by Knightsbridge on your instructions is not received by the beneficiary of such Draft for any reason then the Client agrees to notify Knightsbridge of this as soon as the Client becomes aware of the non-receipt.

10.2. Upon Knightsbridge being notified by the Client of the non-receipt of a Draft, Knightsbridge will use its reasonable endeavors to place a stop payment on the Draft as soon as is practicable and the Client agrees to indemnify and hold Knightsbridge harmless for any and all losses, costs, claims, damages and expenses incurred by or brought against Knightsbridge as a result of the stop payment.

10.3. Knightsbridge shall be under no obligation to issue a replacement Draft or a refund where it is established by Knightsbridge or Knightsbridge reasonably believes that the original Draft has been encashed.

10.4. Knightsbridge agrees to issue the Client with a replacement Draft or issue a refund at an appropriate rate where the Client has placed a stop payment on the original Draft provided that in the event that the original Draft comes into possession of either the Client or the payee, the Client undertakes to take all reasonable steps to ensure that no attempt is made to encash the original Draft and that it is returned to Knightsbridge at the earliest opportunity and, pending its receipt by Knightsbridge, is held in trust for Knightsbridge.

10.5. Where a replacement Draft or refund is issued and the original Draft is subsequently encashed by the beneficiary of the Draft and Knightsbridge are unable to obtain reimbursement from the paying bank Knightsbridge shall be entitled to stop any replacement Draft or seek immediate reimbursement from the Client.

11. DEFAULT, TERMINATION

11.1. Knightsbridge may refuse to perform or may terminate all or any part of any Contract, without incurring any liability to the Client for losses, costs or damages that may be sustained as a result and without giving notice to the Client or receiving any instructions from it, upon or at any time after the happening of any of the following events:

(a) the Client fails to make any payment when due under these Terms or any Contract;

(b) if the Client is an individual and the Client dies or, in Knightsbridge's opinion, becomes incapacitated or of unsound mind;

(c) the Client is insolvent, bankrupt, suspends payment of its debts, makes or takes steps with a view to making any composition or similar arrangement with its creditors, has a receiver, manager or trustee appointed of some or all of its assets, takes or has any proceedings taken against it in bankruptcy, winding up or administration or takes or allows any steps to be taken for its winding up or administration (except for a solvent amalgamation or reconstruction approved in advance in writing by Knightsbridge) or anything similar to any of these events happens to the Client anywhere in the world;

(d) the Client fails in any respect fully and promptly to comply with any obligations to Knightsbridge under these Terms or is otherwise in breach of any of these Terms, or if any of the representations of or information supplied by the Client are or become materially inaccurate;

(e) it becomes or may become unlawful for Knightsbridge to maintain or give effect to all or any of the obligations under these Terms or otherwise to carry on its business or if Knightsbridge or the Client is requested not to perform or to terminate a Contract (or any part thereof) by any governmental or regulatory authority whether or not that request is legally binding; or

11.2. If the Client becomes aware of the occurrence of any event referred to in Clause 11.1(a) to (e), it shall notify Knightsbridge immediately.

11.3. If any event referred to in Clause 11.1(a) to (e) takes place Knightsbridge shall at its discretion be entitled to terminate any Contract then outstanding and charge the Client for all of the costs, expenses and losses (and interest at the rate referred to in Clause 5 on any such sums) that Knightsbridge may incur (including the costs of any actions it may take to cover or reduce its exposure) as a result of Knightsbridge entering into Contracts with the Client. Any excess amount held by Knightsbridge in respect of Contracts shall be returned to the Client after deducting all other sums due to Knightsbridge.

11.4. The Client shall indemnify and hold Knightsbridge harmless against all the losses, costs, expenses and damages of Knightsbridge whatsoever that may arise on account of such termination, and Knightsbridge shall have the right to use any monies of the Client held by it to offset such amounts as are owed by the Client to Knightsbridge. For such purpose, Knightsbridge shall be entitled to convert any currency held by it and such conversion shall be at Knightsbridge's standard rates of exchange. All fees and charges which Knightsbridge incurs as a result of such conversion shall be paid for by the Client.

11.5. If the Client's cheque, or any other method of payment, is dishonored, returned, not met on first presentation or stopped for whatever reason, Knightsbridge shall levy an administrative charge in respect of each such payment. This administrative charge will become payable by the Client in addition to any other sums due under these Terms.

11.6. The Client agrees that all payments required to be made by the Client under any transaction between the Client and Knightsbridge shall be made promptly and within the time limits specified by the particular Contract.

11.7. If the Client wishes to change the beneficiary details or delivery instructions, it may do this by giving written notice to Knightsbridge by fax or email. Knightsbridge will use its reasonable endeavors to act on such notice, however, Knightsbridge cannot guarantee such notice will be received or acted upon immediately and Knightsbridge will continue to act in good faith in accordance with all Contracts and instructions received prior to receipt of such notice. In any event, where Knightsbridge is unavoidably committed to processing a Contract or incurring other costs, liabilities or obligations in accordance with the Client's previous instructions, Knightsbridge shall be entitled to proceed with the relevant Contract or instructions.

12. LIMITATION OF LIABILITY AND INDEMNITY

12.1. (a) The maximum liability of Knightsbridge, whether arising in contract, tort or otherwise shall in no circumstances exceed an amount equal to the currency purchased or sold by Knightsbridge under the Contract.

(b) Knightsbridge SHALL IN NO WAY BE LIABLE TO THE CLIENT OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE (SUCH AS LOSS OF PROFITS OR OPPORTUNITY). OR OTHER CLAIMS FOR CONSEQUENTIAL COMPENSATION WHATSOEVER (AND WHETHER CAUSED BY THE NEGLIGENCE OF Knightsbridge, ITS EMPLOYEES, AGENTS OR OTHERWISE).

12.2. The Client shall, on demand by Knightsbridge, indemnify and hold Knightsbridge harmless from and against all liabilities, damages, losses and costs (including reasonable legal costs), duties, taxes, charges, commissions or other expenses incurred by Knightsbridge in the proper performance of its services or the enforcement of its rights under these Terms and, in particular, but without limitation, against all amounts which Knightsbridge may certify to be necessary to compensate it for all liabilities, damages, losses and costs (including reasonable legal costs), duties, taxes, charges, commissions or other expenses incurred by Knightsbridge (including loss of profit and losses and expenses from any action Knightsbridge takes to seek to cover or reduce its exposure under any Contracts) as a result of:

(a) the Client breaching any terms of these Terms or any Contract;

(b) Knightsbridge acting on a written, oral, telephone, fax or electronic Order which reasonably appeared to Knightsbridge to be, from the Client or an Authorized Person; or

(c) Knightsbridge or the Client exercising its rights under these Terms to terminate all or any part of any Contract before its applicable Maturity Date.

12.3. The provisions in this clause shall survive termination of any Contract or other agreement under these Terms and Knightsbridge's certificate shall, unless it is manifestly inaccurate, be conclusive.

13. GENERAL

13.1. These Terms set out the entire agreement and understanding of the parties on their subject matter and supersede all previous oral and written communications on the same subject matter.

13.2. Knightsbridge may amend these Terms by notice in writing to the Client at any time and such amendment shall take effect from the date specified by Knightsbridge but may not affect any rights or obligations that have already arisen and will not be retroactive. Otherwise, these Terms may only be varied by the written agreement of Knightsbridge and the Client.

13.3. If at any time any provision of these Terms or any Contract is or becomes illegal, invalid or unenforceable under the laws of any jurisdiction, neither the legality, validity or enforceability of such provision under the laws of any other jurisdiction nor the legality validity or enforceability of any other provision of these Terms or any Contract shall in any way be affected as a result.

13.4. If a party fails to exercise or delays in exercising any right under these Terms, by doing so it does not waive such right. The rights provided in these Terms do not exclude other rights provided by law.

13.5. The parties agree to:

(a) the electronic recording by either party of telephone conversations between the parties with or without an automatic tone warning device; and

(b) the use of such recordings as evidence by either party in any dispute or anticipated dispute between the parties or relating to dealings between the parties.

13.6. If Knightsbridge makes any recordings or transcripts it may also destroy them in accordance with its normal procedures.

13.7. The Client acknowledges and agrees that Knightsbridge is permitted to carry out an electronic database search and search credit reference agencies in order to verify the Client's, identity and credit standing. If such searches are carried out, Knightsbridge may keep records of the contents and results of such searches in accordance with all current and applicable laws.

13.8. If the Client has any complaint regarding any Contract it should contact Knightsbridge at 416-274-9332 (or such other contact addresses as shall be provided by Knightsbridge from time to time).

13.9. Knightsbridge shall not be liable to the Client for any delay or failure to perform its obligations under these Terms or any Contract by reason of strike, fire, flood, other natural disasters, governmental acts, acts of terror or orders or restrictions, failure of suppliers, or act of God, or any other cause beyond the reasonable control of Knightsbridge.



14. PRIVACY

14.1. The Client authorizes Knightsbridge to collect, use, store or otherwise process any personal information provided by the Client or otherwise received by Knightsbridge pursuant to the searches referred to above. ("Personal Information") to enable Knightsbridge and/or its affiliates and/or the organization(s) which introduced or referred the Client to Knightsbridge to provide and/or improve its services.

14.2. Knightsbridge may also use the Personal Information to provide the Client with news and other information on Knightsbridge's services and activities which may be useful to the Client, subject to the Client's consent. If the Client would prefer its Personal Information not to be used for such purposes, it should contact Knightsbridge at the above address.

14.3. Other than as stated in these Terms or in our Privacy Policy (which is available upon request), Knightsbridge will not disclose the Client's Personal Information.

14.4. If the Client wishes to obtain a copy of its Personal Information, it should contact Knightsbridge on 416-274-9332 (or such other contact address as shall be provided by Knightsbridge from time to time).

15. APPLICABLE LAW AND LANGUAGE

These Terms and any relationship between Knightsbridge and the Client shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein and shall be subject to the exclusive jurisdiction of the courts of Ontario. The parties confirm that it is their express wish that these Terms, as well as any other documents relating to these Terms, including notices, have been and shall be drawn up in the English language only.

16. USE OF THE ONLINE SYSTEM (WHERE APPLICABLE)

16.1. Knightsbridge currently does not offer an online system.

17. BANK VERIFICATION, CLIENT IDENTIFICATION and

CONSENT TO CREDIT CHECK

17.1. The Client agrees to provide Knightsbridge with the name and contact information of the primary bank at which the Client maintains a bank account in the country where the Client resides and/or carries on business ("Bank"). The Bank must be a member of the FATF (Financial Action Task Force). The Client authorizes Knightsbridge to contact the Bank to verify the Client's identity, authorized signatories, account information; any to verify all other information relevant to this Agreement and the Client's obligations under this Agreement.

17.2. The Client further authorizes Knightsbridge to confirm the Client's identity and to examine the Client's background with respect to the Client's ability to meet the Client's obligations to Knightsbridge. Accordingly, Client authorizes Knightsbridge, at any time during which the Client conducts business with Knightsbridge, to obtain Client's credit report from any credit reporting agency to establish and/or verify Client's financial standing and to ensure that Knightsbridge's records are up to date and accurate.

17.3. The Client understands and agrees that the information provided herein as well as other information Knightsbridge obtains in relation to Client's credit history may be disclosed to Knightsbridge's affiliates, organizations providing services required in relation to this Agreement and any other parties with whom Knightsbridge proposes to have a financial relationship.

17.4. The Client represents and warrants that all information provided by the Client to Knightsbridge is true and correct.