

# Trader Agreement

This Prop Account Trader Agreement (the “Agreement”) sets forth the terms and conditions governing your relationship with Prop Account LC, a Cayman Islands Limited Liability Company, (“Prop Account”). In this Agreement, the undersigned trader is referred to as “Trader” or “You.”

WHEREAS, Prop Account is a proprietary trading company that invests its own capital in financial markets, and

WHEREAS, Prop Account may, from time to time, allocate portions of its capital to be traded by You on terms contained herein or as posted with a feeder program that evaluates traders who demonstrate sufficient skill and risk management.

NOW, THEREFORE, for good and valuable consideration the parties agree as follows:

## 1. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to set forth the terms and conditions under which the trader may trade the Prop Account Capital.

## 2. SERVICES PROVIDED

Upon acceptance of Trader's qualification after successful completion of an assessment or evaluation program, Prop Account shall create and fund account (the "Account") and provide the Trader with the credentials to access and trade the Account.

## 3. TRADER REPRESENTATIONS

3.1. The Trader is a natural person, of sound mind, legal age and legal competence.

3.2. The Trader is not relying on investment advice provided by Prop Account or any other entity in making its trading decisions.

3.3. The activities of the Trader under this Agreement are not prohibited under any law or contract to which the Trader or Prop Account is subject. In the event that such prohibitions come to light after the effective date of this Agreement, the Trader acknowledges that this Agreement may be terminated without notice.

3.4. The Trader acknowledges that the Account and trading platform are provided by a third-party broker(s) and the Trader has no privity with the brokers used by Prop Account to execute the trades and Trader may not contact said brokers directly regarding any trade dispute or other issue. All such matters must be directed to Prop Account to resolve.

3.5. The Trader has full power and authority to execute this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Trader, enforceable in accordance with its terms.

#### 4. THE ACCOUNT

Upon creation of the Account, you will receive an email (the "Welcome Email") setting forth the following details:

- Account Login Credentials

- Allocated Capital

- Risk Management and Program Rules

- Trader Portal Credentials

- Performance Splits

You accept full responsibility for monitoring the Account to ensure that trades have been executed correctly and to ensure that no unauthorized trading is occurring in the Account. You may not give control over the Account to any other person or entity and you may not control the Account of any other Prop Account authorized trader. You shall maintain the confidentiality of the Account credentials and prevent the unauthorized use thereof at all times. If You become aware of any deliberate or inadvertent disclosure, loss, theft or unauthorized use of the Account credentials, you must notify Prop Account immediately and request a new password.

The capital in your Funded Account is notional and may not match the amount of capital on deposit with the Broker. A Funded Account is notionally funded when actual funds in the account (i.e., the equity in a Funded Account represented by the amount of capital) differs from the nominal account size (i.e., the size of the Funded Account that establishes the initial account value and level of trading). Notional funds are the difference between nominal account size and actual capital in a Funded Account.

Use of notional funding does not change the trading level or that the account may trade in any manner differently than if notional funds were not used. In particular, the same conditions and rules applicable to a soft breach, hard breach, Daily Loss Limit, Max Trailing Drawdown, stop loss and position limits apply.

To maintain the Account and continue as a Prop Account authorized trader, you must, at all times, adhere to the Risk Management and Program Rules. The Risk Management and Program Rules are an integral part of this Agreement. It is your responsibility as Trader to carefully read these Risk Management and Program Rules and to inform Prop Account of any questions or objections that you may have regarding them before entering a trade in the Account. By entering your trading orders in the Account, you agree, represent, warrant and certify that you

understand and accept these Risk Management and Program Rules, as they are set forth here and as may be amended from time to time by Prop Account and sent to You by email or as provided to You in your trader dashboard. Any violation thereof will result in the closing of your account and termination as an authorized trader of Prop Account. Additionally, the following actions may also result in the immediate closing of your account:

- Exploiting errors or latency in the pricing and/or platform(s) provided by the Broker
- Utilizing non-public and/or insider information
- Front-running of trades placed elsewhere
- Trading in any way that jeopardizes the relationship Prop Account has with a broker or may result in the canceling of trades
- Trading in any way that creates regulatory issues for the Broker

- Utilizing any third-party strategy, off-the-shelf strategy or one marketed to pass assessment accounts

- Utilizing one strategy to pass an assessment and then utilizing a different strategy in a funded account, as determined by the Company in cooperation with Prop Account, LLC in their discretion

- Opening a position within 3 minutes before or after a News Event is prohibited. Any traders identified as having opened a position during a News Event are subject to having that position closed and the associated P&L removed from their account, having the leverage on their account reduced or having their account breached altogether. The Company has sole and absolute discretion in determining what constitutes a News Event. This rule is intended to protect the integrity of our program and is not meant to penalize traders who inadvertently trade through a news event.

- Attempting to arbitrage your account with another account with the Company or any third-party company, as determined by the Company in its sole and absolute discretion.

## 5. PERFORMANCE SPLITS & WITHDRAWALS

As an authorized trader for Prop Account, Prop Account agrees to pay you the percentage of gains generated in the Account, as set forth in the Welcome Email. Withdrawal requests will be processed on demand, but can be requested no more than once every 30 days. Withdrawals will be paid out via the available payment options at the time of the withdrawal request, which may change from time to time. Upon processing of a withdrawal request, Prop Account shall also withdraw its share of the gains in the Account.

For example, let's assume the following:

- Beginning account balance - \$100,000
- Performance split 75%/25% in favor of You.



- Account equity one month later is \$120,000

You request a withdrawal of \$10,000. \$10,000 of the gains in your Account will be withdrawn; representing your \$7,500 and the Company's \$2,500. The new Account Balance High Water Mark will be adjusted back to \$110,000 for purposes of adherence to Risk Management and Program Rules going forward. Please note that upon requesting a withdrawal, your maximum trailing drawdown equity breach level will automatically lock in at Your starting balance. Any gains in the Account above the highwater mark after a program rule is violated, will be distributed according to the established performance split.

## 6. TRANSMISSION OF ORDERS

Prop Account shall have no responsibility for delays in the transmission of orders due to disruption, failure or malfunction of communications facilities and shall not be liable for any claims, losses, damages, costs or expenses, including attorneys' fees, to any person or entity arising other than as a direct result of Prop Account's gross negligence.

## 7. MARKET PRICING, EXECUTION, POSITION & TRADING LIMITS

Prop Account operates at an arm's length with the Broker. All market pricing and trade executions are provided by the Broker and are not changed or modified by Prop Account. Additionally, Prop Account does not markup transaction costs established by the Broker through adjusting bid-offer spreads, markups/markdowns, commissions charges or swaps. For purposes of managing risk and minimizing transaction costs, Prop Account may offset or negate market risk and act as the direct counterparty to certain trades initiated in the Account. Such trades are executed at prices provided by the Broker. This framework is intended to ensure you receive real market execution on your trades, while simultaneously allowing Prop Account to manage risk dynamically by routing existing positions or future orders to third parties for execution as we deem appropriate. Prop Account believes that such real market execution and dynamic risk management would not be possible or as cost-effective if trades were executed in simulated accounts. Regardless of whether Prop Account acts as counterparty to Your trades, the gain or loss on your Funded Account is not calculated differently. However, when Prop Account acts as the counterparty to your trades, there is an inherent potential conflict of interest because Your trades do not result in net gain or loss to Prop Account, as your trades would if Prop Account was not the direct counterparty. Prop Account reserves the right to increase the margin requirement, amend the leverage ratio limits, or limit the number of open positions you may enter or maintain in a Funded Account at any time, without prior notice, and to revise in response to market conditions, the drawdown levels at which trading in a funded account will be halted. Prop Account or the Broker reserve the right to refuse to accept any order.

The limits of funded accounts are determined by the Company and may be adjusted periodically to account for various aggregate or individualized risk scenarios.

## 8. TRADING HOURS

All references to Prop Account hours of trading are in U.S. Eastern Time ("ET") using a 12-hour format. Access to the market is typically available from 5:00 PM ET on Sunday to 4:00 PM ET on Friday, but Prop Account reserves the right to suspend or modify its trading hours at any time and in such an event will inform clients in advance on a best-efforts basis of any changes in its operating hours. Trading hours by contract type may vary.

## 9. MODIFICATION OF TERMS

Prop Account reserves the right to modify the terms and conditions of this Agreement or the risk management and program rules at any time and effective upon notice to You. Continued use of the Account after such notice shall constitute your acceptance thereof.

## 10. INDEPENDENT CONTRACTOR

The Trader shall perform its duties and otherwise conduct its trading activity in the Account as an independent contractor and not as an employee or agent of Prop Account. Aside from adherence to the Risk Management and Program Rules, the Trader acknowledges that Trader, nor any of its officers or employees is an officer, director or agent of Prop Account and that Prop Account is not, and will not be, responsible for any trading decisions made on behalf of the Trader and may not commit the Trader to any action. The Trader represents that Prop Account does not have the power either to control the Trader or to exercise any dominating influences over its activities. The parties hereto understand and acknowledge that this Agreement shall not create or imply any agency relationship among the parties, and the Trader will not commit Prop Account in any manner except when a commitment has been specifically authorized in writing by Prop Account.

## 11. INDEMNIFICATION

The Trader hereby agrees to indemnify, defend and hold Prop Account and its officers, directors, employees, corporate affiliates, white label partners and agents harmless from any loss, damage, liability, claim, cost, awards and expenses, including but not limited to reasonable attorneys' fees, arising out of the Trader's illegal and/or wrongful actions and/or any breach of Agreement. Without limiting the foregoing, this indemnity clause shall apply to all allegations of wrongdoing including allegations of illegal use of insider information and all transactions requiring corrective action. If Prop Account is informed of any pending action or possible loss against the Trader, Prop Account may set off any monies due to the Trader in amounts sufficient to cover any pending arbitration, litigation, customer complaints, unsecured debits and unpaid expenses in connections with the Trader's trading.

## 12. INTELLECTUAL PROPERTY AND CONFIDENTIALITY.

All copyright, trademark, trade secret and other intellectual property rights ("IP") in and related to Prop Account shall remain at all times the sole and exclusive property of Prop Account and/or its 3rd party service providers and Traders shall have no right or interest in the IP, except for the right to access and use the Account as specified herein. Trader acknowledges that the IP is confidential and has been developed through the expenditure of substantial skill, time, effort and money. The Trader will protect the confidentiality of Prop Account and/or its 3rd party service providers. Trader will not publish, distribute, or otherwise make information available to third parties any information derived from or relating to the IP. Trader will not copy, modify, de-compile, reverse engineer, and make derivative works of the IP or in the manner in which it operates.

## 13. INTERRUPTION OF SERVICE

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, ANY TECHNOLOGY, BROKERAGE OR TRADING PLATFORM (THE "TRADING ENVIRONMENT") UTILIZED BY PROP ACCOUNT, WHETHER DEVELOPED OR MAINTAINED BY IT OR A THIRD PARTY, IS PROVIDED "AS-IS" AND "WITH ALL FAULTS", AND, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, PROP ACCOUNT, INCLUDING ITS AFFILIATES, SUBSIDIARIES, LICENSORS, SUBCONTRACTORS, DISTRIBUTORS, SERVICES PARTNERS, WHITE LABEL PARTNERS, AGENTS AND MARKETING PARTNERS AND EACH OF THEIR RESPECTIVE EMPLOYEES, DIRECTORS AND OFFICERS (COLLECTIVELY, "RELATED PARTIES") DISCLAIM ALL REPRESENTATIONS, WARRANTIES AND

CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE TRADING ENVIRONMENT, OR OTHERWISE RELATING TO THIS AGREEMENT, INCLUDING WARRANTIES AND CONDITIONS OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, MERCHANTABLE QUALITY, NON-INFRINGEMENT AND ACCURACY AND NON-INTERFERENCE; (B) NEITHER PROP ACCOUNT, NOR ANY RELATED PARTY WARRANTS THAT (I) THE TRADING ENVIRONMENT IS OR WILL BE SECURE, ACCURATE, COMPLETE, UNINTERRUPTED, WITHOUT ERROR, OR FREE OF VIRUSES, WORMS, OTHER HARMFUL COMPONENTS, OR OTHER PROGRAM LIMITATIONS, (II) THE TRADING ENVIRONMENT WILL MEET YOUR REQUIREMENTS, (III) THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE TRADING ENVIRONMENT WILL BE ACCURATE OR RELIABLE, (IV) ANY ERRORS IN THE TRADING ENVIRONMENT WILL BE CORRECTED; (C) YOU ASSUME THE ENTIRE COST OF ALL NECESSARY SERVICING, REPAIR, OR CORRECTION OF PROBLEMS CAUSED BY VIRUSES OR OTHER HARMFUL COMPONENTS, UNLESS SUCH ERRORS OR VIRUSES ARE THE DIRECT RESULT OF PROP ACCOUNT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; (D) PROP ACCOUNT AND RELATED PARTIES, JOINTLY AND SEVERALLY, DISCLAIM AND MAKE NO WARRANTIES OR REPRESENTATIONS AS TO THE ACCURACY, QUALITY, RELIABILITY, SUITABILITY, COMPLETENESS, TRUTHFULNESS, USEFULNESS, OR EFFECTIVENESS OF THE FORMS, DATA, REPORTS, RESULTS OR OTHER INFORMATION OBTAINED, GENERATED OR OTHERWISE RECEIVED BY YOU FROM ACCESSING AND/OR USING THE TRADING ENVIRONMENT OR OTHERWISE RELATING TO THIS AGREEMENT, AND (E) USE OF THE TRADING ENVIRONMENT IS ENTIRELY AT YOUR OWN RISK AND NEITHER PROP ACCOUNT NOR ANY OF THE RELATED PARTIES SHALL HAVE ANY LIABILITY OR RESPONSIBILITY THEREFROM.

#### 14. LIMITATION OF LIABILITY

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IN NO EVENT WHATSOEVER SHALL PROP ACCOUNT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF GAINS, LOST TIME OR GOOD WILL, EVEN IF PROP ACCOUNT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. PROP ACCOUNT SHALL NOT BE LIABLE FOR ANY CLAIMS AGAINST YOU BY

THIRD PARTIES. IN NO EVENT SHALL THE MAXIMUM CUMULATIVE LIABILITY OF PROP ACCOUNT IN CONNECTION WITH THE TRADING ENVIRONMENT AND/OR THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, EXCEED THE AMOUNT OF ANY GAINS GENERATED BY YOU IN THE ACCOUNT. NO ACTION, REGARDLESS OF FORM, ARISING FROM OR PERTAINING TO THE TRADING ENVIRONMENT MAY BE BROUGHT BY YOU MORE THAN ONE (1) YEAR AFTER SUCH ACTION HAS ACCRUED.

#### 15. FORCE MAJEURE.

Prop Account shall not be liable to Trader for any claims, losses, damages, costs or expenses, including attorneys' fees, caused, directly or indirectly, by any events, actions or omissions, including, without limitation, claims, losses, damages, costs or expenses, including attorneys' fees, resulting from civil unrest, war, insurrection, international intervention, governmental action (including, without limitation, exchange controls, forfeitures, nationalizations, devaluations), natural disasters, acts of God, market conditions, inability to communicate with any relevant person or any delay, disruption, failure or malfunction of any transmission or communication system or computer facility, whether belonging to Prop Account, Trader, any broker, trading platform or third-party service provider.

#### 16. MISCELLANEOUS

16.1. Entire Agreement. This Agreement between the Prop Account and the Trader constitutes the entire agreement and understanding of the parties hereto, and supersedes any and all previous agreements and understandings, whether oral or written, between the parties with respect to the matters set forth herein.

16.2. Notices. Any notice or communication permitted or required hereunder shall be in writing and shall be deemed sufficiently given if hand-delivered, sent postage prepaid by certified or registered mail, return receipt requested, or emailed to the respective parties as set forth below, or to such other address as either party may notify the other in writing:

16.3. Binding. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors, legal representatives and assigns.

16.4. Electronic Signatures Effective This Agreement is an electronic contract that sets out the legally binding terms of your participation in the Company's Trading program. You indicate your acceptance of this Agreement and all of the terms and conditions contained or referenced in this Agreement by completing the application process. This action creates an electronic signature that has the same legal force and effect as a handwritten signature.

16.5. Amendment and Modification; Waiver. This Agreement may be amended, modified or waived, at any time by Prop Account.



16.6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Cayman Islands. The venue for any proceedings arising out of or relating to this Agreement shall be in Cayman Islands. The prevailing party in any litigation arising out of or relating to this Agreement shall be entitled to an award of its reasonable attorneys' fees and costs.

16.7. Drafting. This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party.

16.8. Headings. All section or paragraph titles or captions in this Agreement are for convenience only and shall not be deemed part of the context nor affect the interpretation of this Agreement.

16.9. Pronouns. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or entity may require.

16.10. Severability. If any provision of this Agreement, or the application of such provision, shall be held invalid, the remainder of this Agreement, or the application of such provision to

persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

16.11. Assignment. This Agreement may not be assigned by either party hereto without the written consent of the other, but shall be binding upon the successors of the parties.

16.12. Service of Process. The Trader hereby agrees that service of process in any such action or proceeding brought in Florida may be made upon it by serving a copy of the summons and other legal process in any such action or proceeding on the Trader by mailing or delivering the same by hand to the Trader at the address listed in the Trader's application or at an email address specified by the Trader. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Trader as such, and shall be legal and binding by the Trader for all the purposes of any such action or proceeding. In the event that the Trader shall not be conveniently available for such service, the Trader hereby irrevocably appoints Company as its agent for service of process in respect of the proceeding before such courts and agrees that service on such agent shall be deemed personal service.