



Boston Merchant Financial



FOREIGN EXCHANGE MANAGED ACCOUNT

[FXMA]

A steady & balanced way to Investing

\$10,000
Minimum Investment



The FXMA Program offered by Boston Merchant Financial Ltd, is not being offered within Canada or the United States (US) and not being offered to US and Canadian Persons, as defined under US and Canadian law.

www.bmfn.com/fxma



THE RISK OF LOSS IN TRADING OVER THE COUNTER (OTC) DERIVATIVES CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. IN CONSIDERING WHETHER TO TRADE OR TO AUTHORIZE SOMEONE ELSE TO TRADE FOR YOU, YOU SHOULD BE AWARE OF THE FOLLOWING: THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN OTC TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

IN SOME CASES, MANAGED OTC ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS.

OFF-EXCHANGE FOREIGN EXCHANGE RISK DISCLOSURE

YOU SHOULD ALSO BE AWARE THE RISK OF LOSS IN FOREIGN EXCHANGE TRADING CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. IN CONSIDERING WHETHER TO TRADE OR TO AUTHORIZE SOMEONE ELSE TO TRADE FOR YOU, YOU SHOULD ALSO BE AWARE OF THE FOLLOWING:

THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN FOREIGN EXCHANGE TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

MANAGED ACCOUNTS MAY BE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES AND THE ACCOUNT MAY NEED TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETING OR EXHAUSTING ITS ASSETS. THIS DISCLOSURE DOCUMENT CONTAINS A COMPLETE DESCRIPTION OF EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE ACCOUNT MANAGER.

INVESTMENT IN BMFN'S FOREIGN EXCHANGE MANAGED ACCOUNT SHOULD BE MADE ONLY AFTER CONSULTING WITH INDEPENDENT, QUALIFIED SOURCES OF INVESTMENT AND TAX ADVICE. THE RISK FACTORS DESCRIBED ABOVE ARE NOT A COMPLETE LIST OF ALL FACTORS OR CIRCUMSTANCES THAT MAY ADVERSELY AFFECT AN INVESTMENT IN THE OFFERED PROGRAM, AND REPRESENT THOSE WHICH BMFN BELIEVES ARE THE PRIMARY RISKS. THEREFORE, YOU SHOULD CAREFULLY REVIEW THIS DISCLOSURE DOCUMENT BEFORE YOU INVEST.



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Boston Merchant Financial Ltd. was founded by industry professionals who understand the growing needs of investors in today's international markets. As a member of the Boston Merchant Financial group of companies, Boston Merchant Financial Ltd. offers a wide

selection of financial products to individual and corporate customers worldwide. Boston Merchant Financial Ltd. has developed a range of products and services that center around the geographical location of the client. Therefore, clients of Boston



Merchant Financial Ltd. can select from various financial services and products specifically designed for their particular needs and regulatory requirements.

Boston Merchant Financial Ltd. offers instant access to financial instruments around the world such as stocks, indices, currencies and commodities. Whatever and wherever a customer wants to trade, our platforms provide all the tools he/she needs. Online and mobile trading services ensure that our customers are never more than a click away from the next trade. Our team of expert advisors and customer service specialists are constantly available to provide personal support to each and every customer.



Boston Merchant Financial



Disclosure Document

for

Foreign Exchange Managed Account [FXMA]

The FXMA program offered by Boston Merchant Financial Ltd, is not being offered within Canada or the United States (US) and not being offered to US and Canadian Persons, as defined under US and Canadian law.

The date of this disclosure document is October 15, 2009



Are you new to foreign exchange trading? Are you not able to watch the market 24-hours a day? Do you not have time to trade your own account? Would you like experts to manage your account? Boston Merchant Financial's Foreign Exchange Managed Account (**FXMA**) is the solution.



FXMA allows investors to diversify their capital investments into the Forex market. The account is actively managed by experienced Forex trading professionals (Advisors) without the investors having to trade or monitor the market themselves. The investors can access their managed account at any time without any trading authorization. It is an effective

way for investors to benefit from the knowledge, resources and experience of an investment manager without the restrictions of investing in a hedge fund or other alternative investment vehicles.

The Advisor seeks capital appreciation over time through global macro investing using a combination of fundamental and technical analysis. Fundamental analysis relies on a study of those external factors that affect supply and demand. Technical analysis, on the other hand, is based on the theory that a study of the markets themselves will provide a means of anticipating the external factors that affect the supply and demand and that market prices at any given time reflect all known factors affecting supply and demand. Technical analysis of the markets generally includes a study of, among other things, the actual daily, weekly, and monthly price fluctuations, utilizing charts, computers, or a combination of the two for analysis of these items.



Using fundamental and technical analysis, which is inclusive of the FXMA Advisor's proprietary market positioning data, the Advisor seeks to identify favorable trading opportunities in the over-the-counter currency markets, and executes trades in an effort to capture intermediate-term and short-term trends in OTC derivatives markets. The short-term strategy builds on randomly but consistently measured changes in volatilities, trading directions and short-term price moves. Medium-term indicators are designed to measure the empirical probability that a price move will continue directional into an intermediate-term trend.



Reasons to invest in FXMA includes but not limited to:

- Asset diversification into one of the largest traded financial markets in the world
- Active and hands-on management of your investments by experienced professionals
- Low minimum initial investment of **\$10,000**
- 24-hours a day access to your account
- A systematic and disciplined trading methodology
- Liquidity of assets – money can be withdrawn at any time.
- Potential to earn competitive returns.

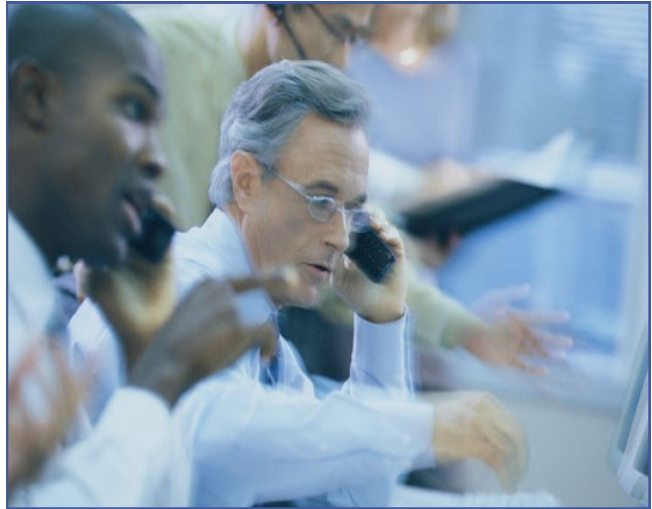


You should carefully read the Principal Risk Factors section on page 8 for a discussion of the potential risks of an investment with Boston Merchant Financial, Ltd in FXMA.



Investment Philosophy

The FXMA Advisor's investment philosophy has been based on the premise that market prices, rather than market fundamentals, are the key aggregator of information necessary to make investment decisions. This philosophy is based on analysis of historical data that revealed that market adjustments sometimes form price trends that can be exploited for profit.



Advisors believe there is an inherent return opportunity in participating in price trends that its systematic and analytic models have identified.

FXMA Advisor's investment philosophy maintains that market prices initially react to new or emerging information or events, but the aggregate impact on price may be a lengthy process. While prices may at first represent an over or under reaction to new information, prices eventually will reflect all relevant information. The foundation for FXMA Advisor's analysis is, therefore, a study of market price, rather than market fundamentals or the prediction of trends.

Risk Management

Given the volatility of prices, advisors do not expect that all trend signals will lead to profitable trades. Stop-losses are used in some models and managed in a proprietary manner to balance the potential loss on any trade versus the opportunity for maximum profit. Stop-losses may not necessarily limit losses, since they become market orders upon execution; as a result, a stop-loss order may not be executed at the stop-loss price. Other models do not have any stop-loss methodology but rely on market diversification and a change in directional signals to offset risk. Risk in some programs may also be managed by varying position size or risk levels for a market, based in part on assessment of market volatility, while other programs will maintain position sizes in markets regardless of changes in volatility.

There are no systematic constraints on portfolio volatility or the maximum drawdown for any program. Volatility will not cause systematic adjustments to be made to existing positions. Some programs consider volatility in determining the size of positions initiated. Other programs do not consider volatility in determining the size of positions initiated. Consistent with FXMA Advisor's view of markets, portfolios are managed to meet longer-term risk and volatility tolerances, rather than trading on the basis of short-term trends or short-term volatility.



Research



FXMA Advisor's research is conducted across all BMFN departments in collaboration with the Investment Policy Committee. Research may include analysis of the dynamic elements of the investment process, including refining risk management techniques and monitoring market capacity to the extent consistent with basic BMFN methodologies. Research also includes the examination of profit opportunities in markets not currently traded by FXMA Advisors.

Trade Placement

BMFN's experienced FXMA Advisors work around the clock to execute trades world-wide in markets that are the most liquid for the specific trade that is being made. Trades are executed by teams, with each member of the team fully responsible for the trade's fulfillment, and are recorded and reviewed for strict adherence to procedures. Depending on market conditions, order size and other factors, traders will decide to execute a trade using a particular order type, which may include "market price," "market-at-discretion" or "market limit." Whether entering or exiting the markets, advisors follow specific procedures designed to help minimize the impact of any immediate adverse price developments.



Trading over the counter foreign exchange and other similar financial instruments involves a HIGH DEGREE OF RISK. Before investing, a prospective client should consult his/her financial advisor(s) to inform themselves fully on CFDs and foreign exchange trading and to determine if OTC Instruments and foreign exchange is suitable for their investment needs. The client should review this section and the entire Disclosure Document and become familiar with some of the more significant risks.

1) Trading is Speculative and Volatile

OTC instruments have a high degree of price volatility. While not the intent of the Advisor, this volatility, combined with the leverage used in futures trading, can cause large and sudden losses of capital. The leverage in OTC instruments trading comes from the minimal amount of margin necessary to purchase OTC instruments. A relatively small movement in the price of an instrument can produce a substantial loss or a loss that is larger than the value of the account. If the market value of a particular open position changes to a point where the margin on deposit in a customer's account does not satisfy the applicable maintenance margin requirement imposed by the brokerage firm, the brokerage firm will close out the customer's position.

2) Trading is Highly Leveraged

The leverage in OTC Instrument trading comes from the minimal amount of margin necessary to purchase a futures instrument. Normally, the amount of margin funds necessary to be deposited with a broker in order to enter into an off exchange foreign exchange or similar instrument position is one percent (1%) of the total value of the instrument, the Advisor will allow a maximum leverage of four percent (4%).



A relatively small movement in the price of an instrument can produce a loss that is equal to or substantially greater than the margin deposit.

3) Monitoring of Leverage

The Advisor will have responsibility for controlling the leverage applicable to the client's assets. The initial leverage of trading, and any increase or decrease in leverage will be based upon difficult and subjective evaluations of market conditions, trading performance and risk exposure. If the Advisor "de-leverages" to an excessive degree, upside potential will be sacrificed and the likelihood of achieving performance objectives may be diminished or eliminated. On the other hand, if the Advisor does not de-leverage sufficiently, when necessary, substantial losses may be incurred and the client may be compelled to cease trading



4) Stop-Loss orders

While stop-loss orders are employed as a mode of risk management, such orders may not necessarily limit losses. Stop-loss orders become market orders upon execution and, in times of fast moving markets, may not be effective because such market conditions may make it impossible to execute such orders at the stop-loss price

5) Proprietary Trading Methodology

Because specific elements of the Advisor's trading methods are proprietary, a client will not have access to the full details of these methods

6) Risk of Loss

The trading methods used by the Advisor may not be successful and thereby may cause a client to incur losses on the positions that it initiates. Market volatility may not be as expected, thereby affecting the success of the trading strategies. The Advisor cautions prospective participants to take seriously the following warning: AN INVESTMENT IN OTC DERIVATIVES IS SPECULATIVE AND INVOLVES A SUBSTANTIAL RISK OF LOSS.

7) Failure of Electronic Trading Systems

Generally, the Advisor undertakes transactions on an electronic trading system. Electronic trading systems are susceptible to temporary disturbance or breakdown, including the failure of hardware & software.

The result of any system failure may be that orders are not executed to the Advisor's directions or are not affected at all

8) Additional Off-Exchange Foreign Exchange Trading Risk Disclosure

There is a considerable exposure to risk in any foreign exchange transaction. Any transaction involving foreign currencies is exposed to risks including, but not limited to, the potential for changing political and/or economic conditions that may substantially affect the price or liquidity of a currency. Moreover, the leveraged nature of FX trading means that any market movement will have an equally proportional effect on your deposited funds. In leveraged foreign exchange trading the possibility exists that you could sustain a total loss of initial margin funds and may incur trading losses in excess of the capital contributed to the account. Additionally, you may be required to deposit additional funds to maintain your position.

The foregoing risk factors do not purport to be a complete explanation of all of the risks involved while investing in the Program. Prospective clients should read this Disclosure Document in its entirety before determining whether to invest in the FXMA Program.



- Minimum Investment \$10,000
- Management Fee 3%
- Performance Fee 30%
- High Water Mark Yes
- Deposits/Withdrawals Daily
- Advanced Reporting Access to read-only detailed reporting available



Performance Fee Calculation

The 3% Management fee is realized by BMFN when any kind of deposit is made by the client to their FXMA. The performance fees are taken on a high watermark basis. A high watermark is the previous high in the participant's account (adjusted for deposit and withdrawals). It ensures that the fees only get deducted based on new performance, rather than just recovery of poor performance. In other words, if an account loses money over a period, the account must first recoup previous losses and then any profit above the high watermark is subject to a performance fee.

As an **example**: The account starts with \$50,000 initially. At the end of the first month, it makes \$3,000 bringing the equity to \$53,000, on which the performance fee of 30%, or \$900, is deducted and equity will be \$52,100. Then, at the end of the second month, it loses \$4,000 bringing the equity to \$48,100, on which no performance fees are charged. At the end of the third month, it makes \$2,000 bringing the equity up to \$50,100, on which no performance fees are charged since the previous watermark was not reached. Lastly, at the end of the fourth month, the account makes \$4,000, bringing the equity to \$54,100, which is a new equity high by \$2,000 over the watermark of \$52,100 in the first month, on which the performance fee of 30%, or \$600, is deducted. The performance fees are thus influenced by the exact date when the account opens. Hence, participants who enter into the accounts on different dates will have different watermarks. Watermarks are based on the actual returns and date of entry for each account, thereby resulting in different watermarks for different accounts. Since account returns will vary based on the open date, the performance fees are calculated separately for each account.

Initial Deposit	\$50,000					
Management Fee (3%)	\$1,500					
Initial Equity	\$48,500					
	1st month	2nd month	3rd month	4th month	5th month	6th month
Starting Equity	\$48,500	\$50,600	\$48,600	\$50,100	\$53,750	\$53,250
Profit/Loss from Trading	\$3,000	(\$2,000)	\$1,500	\$5,000	(\$500)	\$3,000
Equity before fee reduction	\$51,500	\$48,600	\$50,100	\$55,100	\$53,250	\$56,250
Water Mark Profit/Loss	\$3,000	(\$2,000)	(\$500)	\$4,500	(\$500)	\$2,500
Performance Fee (30%)	\$900	\$0	\$0	\$1,350	\$0	\$750
Ending Equity	\$50,600	\$48,600	\$50,100	\$53,750	\$53,250	\$55,500



1) Right and Intent to Manage other Clients

The Advisor reserves the right to advise other accounts. The Advisor may determine from time to time that some investment opportunities are appropriate for certain clients (of the Advisor or an affiliate thereof) and not others, due to differing objectives, time horizons, liquidity needs or availability and assessments of other general market conditions.

2) Incentive Fee

A Management fee of 3% is deducted by BMFN as soon as any deposit is made to the clients FXMA account. The monthly performance fee of 30% payable to the Advisor is based on high watermark calculation (as defined in Page 10).

This arrangement may create an incentive for the Advisor to make trades that are riskier or more speculative than would be the case if the Advisor were compensated solely on an asset based management fee.

3) Payment to Third Parties

The Advisor may, at its discretion, pay certain parties portions of the fees that the Advisor earns as compensation for the introduction of clients' accounts.



Privacy Policy

The Advisor, as a member of the financial services industry, has been and continues to be subject to laws and regulations regarding the collection and exchange of nonpublic personal information about the client. Clients that choose to invest in the Program will provide the Advisor with certain personal information about the clients. Advisor pledges its commitment to maintain the confidentiality of this information, and to not disclose this information to any nonaffiliated, third parties other than regulatory agencies and other legal authorities as required by law. Further, the Advisor agrees to protect investor's information by restricting access to such nonpublic personal information to those employees with a legitimate need for the information. If a client decides to terminate its relationship with the Advisor, the Advisor agrees to adhere to the privacy policies and practices as set forth above. In the event Advisor amends its privacy policy, the Advisor agrees to provide clients with appropriate notice when such privacy policy changes.



To complete the application process for the Foreign Exchange managed Account [FXMA] with Boston Merchant Financial, Ltd. please fulfill the following steps:

Step 1: Complete and sign:

- * Exhibit A - Client Acknowledgment of Disclosure Document
- * Exhibit B - Client Information Questionnaire
- * Exhibit C - Managed Account Agreement

Step 2: Open an account with Boston Merchant Financial Ltd, including the firm's power-of-attorney form authorizing Boston Merchant Financial, Ltd as attorney-in-fact.

Step 3: Fund the account.

Step 4: Return the items referenced in 1 to 2 above via fax + 1-514-221-3812 or email via fxma@bmfnc.com, or to your regional Boston Merchant Financial Representative.

To begin your account application, please fill out the application form. After you have submitted your information, Boston Merchant will contact you via email, either approving your account or requesting more information. If approved, you will receive a welcome email with a document attached to the email. In this document, you will find your account number, brokerage information and how to access the trading platform to monitor your account. You will also find the wire transfer instructions in the document on how to fund your account. Before FXMA investment team can trade your account, you must sign a limited power of attorney form. This allows us to act in your capacity to place trades in your account. We cannot withdraw or deposit funds into your account. We can only trade the account, and Boston Merchant can deduct a commission to be paid to them each month if there is a profit made. You will be able to download the trading platform, and login with the instructions provided in your welcome document from Boston Merchant to see the trades made on the account. If at anytime you wish to cease trading on the account, or make a withdrawal or deposit of funds, simply ask us for the appropriate forms.



EXHIBIT A

CLIENT ACKNOWLEDGMENT OF DISCLOSURE DOCUMENT

This is to acknowledge that I have read and understand the Disclosure Document of Boston Merchant Financial, Ltd (the "Advisor") dated June 17, 2009, and agree to all of the terms and conditions thereof, and have carefully considered the matters outlined and referred to therein in determining whether to open a commodity trading account managed by the Advisor.

First Client's Signature

Second Client's Signature

First Client's Name and Title

Second Client's Name and Title

Dated: _____

Dated: _____

CLIENT INFORMATION QUESTIONNAIRE

Please assist us by providing the information requested below. If you, the client, choose to keep certain items confidential, please mark those items "N/A", and sign and date the form. For joint accounts, please provide combined information.

ACCOUNT INFORMATION (PLEASE PRINT OR TYPE)

Please provide the information requested below. If you choose to keep certain items confidential, please mark those items "DTP" (decline to provide), sign and date the form.

TYPE OF ACCOUNT (PLEASE PRINT OR TYPE)

- Individual
- Corporate
- Joint

INDIVIDUAL / PERSONAL INFORMATION

Last Name: _____ First Name: _____

Date of Birth: ____/____/____ Gender: male female - Marital Status: single married

Address 1: _____

Address 2: _____

Apartment/Suite: _____ City: _____

Postal Code: _____

Country: _____ Province: _____

Telephone: _____ Fax #: _____

Primary E-mail: _____

CORPORATE [If a Corporate Account]

Business Name: _____ Business Type: _____

Address 1: _____

Address 2: _____

Apartment/Suite: _____ City: _____

Postal Code: _____

Country: _____ Province: _____

Telephone: _____ Ext: _____ Fax #: _____

Tax I.D: _____

Primary E-mail: _____

Estimated Annual Income for Current Year: \$ _____

Liquid Net Worth: \$ _____

PREVIOUS INVESTMENT EXPERIENCE

Stocks/Bonds	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ No. of Years
Funds	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ No. of Years
Options	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ No. of Years
Commodity Futures	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ No. of Years
Limited Partnerships	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ No. of Years
Foreign Exchange	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ No. of Years

Do you understand this investment program is only suitable for risk capital? Yes No

Do you intend (or believe) this account to be a long-term investment? Yes No

Have you received a Disclosure Document? Yes No

Have you been given anything written or verbal that is contrary to what is in the Disclosure Document? Yes No

If yes, please explain:

Client represents that all evidence of identity provided is genuine and all related information furnished is accurate.

First Client's Signature

Second Client's Signature

First Client's Name and Title

Second Client's Name and Title

***** Please provide a current passport or other valid government identification document**

**BOSTON MERCHANT FINANCIAL, Ltd.
FOREIGN EXCHANGE MANAGED ACCOUNT AGREEMENT**

THIS MANAGED ACCOUNT AGREEMENT (the "Agreement") is made by and between Boston Merchant Financial, Ltd (the "Advisor") and _____ (the "Client").

WHEREAS, Client hereby acknowledges to Advisor that Client has received, read and understood and carefully considered the risks outlined in the Disclosure Document for the Advisor's Trading Program (the "Program"), dated June 17, 2009, and that no person is authorized by Advisor to make statements in addition to, or inconsistent with, those contained in such Disclosure Document.

WHEREAS, Client desires to retain Advisor as Client's trading advisor pursuant to the terms and conditions set forth in this Agreement, and Advisor desires to service Client pursuant to such terms and conditions.

NOW THEREFORE, in consideration of the premises set forth above, the parties hereto do hereby agree as follows:

1. **CLIENT'S ACCOUNT.** Client shall open an investment account (the "Account") with Boston Merchant Financial, Ltd. (the "Broker"), with an initial deposit of \$_____. The initial deposit, all subsequent deposits to and withdrawals from the Account and all transactions effected in the Account shall be subject to this Agreement. If Client owns more than one Account that is managed by Advisor, each such Account shall be subject to this Agreement.

2. **REPRESENTATIONS OF CLIENT.** Client hereby represents to Advisor that Client has capital available and desires to invest such capital in speculative investments in OTC instruments, over-the-counter foreign currency instruments, and other similar financial instruments and options thereon ("Investment" or "Investments"). Client, if an individual or joint, hereby represents to Advisor that Client is of full legal age in the jurisdiction in which Client resides and is legally competent to execute and deliver this Agreement and to purchase, sell, trade and own Investments as contemplated by this Agreement. Client, if a corporation, partnership, or other entity, hereby represents to Advisor that Client has full power and authority to execute and deliver this Agreement and to purchase, sell, trade and own Investments as contemplated by this Agreement and the individual executing and delivering this Agreement for and on behalf of Client is of full legal age in the jurisdiction in which such individual resides and is legally competent and has full power and authority to do so on behalf of Client and its stockholders, partners or beneficiaries, if any. Client hereby represents to Advisor that Client is fully familiar with the speculative nature of trading Investments and its high degree of risk which makes such trading suitable only for a person who can sustain substantial losses which may be far in excess of such person's funds on deposit in such person's Account. Client hereby represents to Advisor that Client is willing and able, financially and otherwise, to assume the risks of trading Investments and has financial ability to bear losses in excess of the amount deposited pursuant to Section 1 of this Agreement.

3. **AUTHORIZATION TO THE ADVISOR TO ENTER ORDERS FOR THE ACCOUNT.** Client appoints Advisor as his sole attorney-in-fact with respect to the Account to buy, sell or otherwise trade in Investments through the Broker pursuant to the Advisor's trading methodology. Client hereby gives and grants to Advisor full power and authority to act for Client and on Client's behalf to do every act and thing whatsoever requisite, necessary or appropriate to be done in connection with this power of attorney as fully and in the same manner and with the same force and effect as Client might do or could do if personally present, and Client hereby ratifies and confirms any and all transactions heretofore made by Advisor for the Account and agrees that the rights and obligations of Client in respect thereof shall be governed by the terms of this Agreement. Advisor shall have discretionary authority to make all trading decisions for the Account, without prior consultation with Client and without prior notice to

Client with respect to such trading decisions. By this Agreement, Client authorizes the Broker to permit Advisor to enter orders for the Account.

4. Client acknowledges that in order to provide for more efficient execution of orders for the account, the Advisor may “bunch” or “aggregate” order entry of Client accounts with other Accounts guided by the Advisor.

5. **ACKNOWLEDGMENT OF RISKS ASSOCIATED WITH OVER-THE-COUNTER FOREIGN CURRENCY AND OPTIONS TRADING, LACK OF GUARANTEE BY THE ADVISOR AND CONFLICTS OF INTEREST.** Client is aware of the speculative nature and high risks associated with trading Investments (which includes the risk that Client may incur trading losses in excess of capital contributed to the Account). Client also acknowledges that no “safe” trading system has ever been devised, and that no one can guarantee profits or freedom from loss in such trading. The Advisor, therefore, cannot and does not imply or guarantee that Client will make a profit and it is expressly agreed that Advisor will not be liable to Client or any other party for any act or omission in the course of or in connection with the rendering of its services hereunder, except for acts or omissions by Advisor or its employees, affiliates or agents which constitute gross negligence, willful misconduct or fraud. Client shall indemnify Advisor, its members, principals, officers, employees, agents and affiliates for all liability incurred in the performance of the services required by this Agreement, provided that there has been no judicial determination that such liability was the result of gross negligence, willful misconduct or fraud on the part of Advisor and provided further that any conduct of Advisor which was the basis for such liability was done with the good faith belief of Advisor that it was in the best interest of Client.

6. **ADDITIONS TO AND WITHDRAWALS FROM THE ACCOUNT.** Client may add to or withdraw from the cash balance of the Account upon prior notice to Advisor to the extent consistent with margin requirements. Client recognizes that the potential profitability of the Account depends upon long term, uninterrupted investment of capital and that reduction of equity could materially and adversely affect the potential profitability of the Account. Client further recognizes that Advisor has complete discretion to terminate this Agreement pursuant to Section 8 below.

7. **FEES.** As compensation for its advisory services, A management fee of 3% is realized on every deposit to the account and the Advisor will receive a monthly performance fee of thirty percent (30%) of the Net New Profits based on high watermark calculation, subject to a loss carry-forward (which is adjusted to eliminate the effect resulting from redemptions and capital adjustments made by a client). If a Client’s Account incurs a loss after an incentive fee has been paid, such performance fee will not be rebated and the Advisor will retain the fee, but no further performance fee will be made in subsequent months until the Account again has Net New Profits. The definition of Net New Profits for the incentive fee is defined as the excess, if any, of equity in the Client’s Account at the end of a month over the highest previous ending equity balance in the Client’s Account for any prior month or the date trading commenced, whichever is higher, and as further adjusted to take into consideration all realized commissions incurred or accrued during the month and also adjusted to eliminate the effect on equity resulting from new capital contributions, redemptions, reallocations or capital adjustments, if any, made during the month. Incentive fees are billed by the Advisor directly to the Client’s Account. The Account value shall be determined by marking the Account to fair market value and accruing for liabilities. Fees charged by the Advisor will be debited directly from the Client’s Account, unless the Advisor and Client have otherwise made a different arrangement.

8. **TERMS AND CONDITIONS FOR TERMINATION.** This Agreement shall terminate upon written notice by any party hereunder to the other party. Notice shall be deemed given on the close of business on the day such notice is actually received by Advisor or Client. This Agreement shall also automatically terminate upon written notice to Advisor of the death, legal disability, dissolution, or bankruptcy of Client. Termination shall be effective on the date such written notice is deemed given pursuant to Section 15 of this Agreement. When either party terminates this Agreement, Client shall be liable for all costs, expenses, and losses incurred in liquidating open positions upon termination.

9. **MANAGEMENT OF OTHER ACCOUNTS BY THE ADVISOR, TRADING BY THE ADVISOR FOR ITS OWN ACCOUNT(S).** The services rendered hereunder are not exclusive and Client acknowledges that Advisor may manage other Client accounts and intends to do so in the future. Client acknowledges that Advisor reserves the right to charge fees different from those described above for other accounts that it manages. Advisor and its principal(s) may trade in Investments for their own account(s).

10. **ASSIGNMENT.** This Agreement shall not be assignable by Client without the written consent of Advisor or by Advisor without notice to Client and shall be binding upon the parties hereto, their heirs, respective legal representatives and successors and assigns.

11. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the British Virgin Islands without regard to conflict of laws principals. If any provision is found unenforceable, then this Agreement shall be enforced and construed as if that invalid provision did not appear.

12. **ENTIRE AGREEMENT.** This Agreement contains the entire understanding between Advisor and Client with respect to Investment advisory matters, is intended to be the complete and exclusive expression of the agreement between Advisor and Client, it supersedes any other agreements or understandings of the parties with respect to Investment advisory matters, and may only be amended by mutual written consent.

13. **NOTICES.** Any notices required to be given shall be in writing and sent by certified or registered mail, return receipt requested, to Boston Merchant Financial, Ltd., Mill Mall Tower, 2nd Floor, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands and to Client at the address set forth below his signature to this Agreement. Either party may change his address by giving notice in writing to the other party stating his new address. Commencing on the tenth (10th) day after the giving of such notice, such newly designated address shall be the party's address for the purpose of all notices or communications required or permitted to be given pursuant to this Agreement. Notices to Advisor from Client shall be deemed given as of the close of business on the day such notices are actually received by Advisor.

14. **CONFIDENTIALITY.** Client understands that the trading method employed by Advisor is proprietary and that the advice provided hereunder by Advisor is for the exclusive use of Client. Client agrees not to disclose any of Advisor's trading recommendations, advice, analysis, trading history, or historical positions to any third party without Advisor's prior written consent. Client agrees to treat all such communication related to the Account as confidential.

15. **JURISDICTION.** Any dispute, controversy, or claim arising out of or relating to this contract, or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this contract. The appointing authority shall be ADR Chambers (ADRC). The case shall be administered by ADRC in accordance with its "Procedures for Cases under the UNCITRAL Arbitration Rules." There shall be a sole arbitrator appointed from among the members of ADRC. The place of arbitration shall be Toronto, Ontario, Canada. The language to be used in the arbitral proceedings shall be English. Client hereby waives the right to have such proceeding transferred to another jurisdiction. No arbitration hereunder or relating to this Agreement, shall be brought by Client more than one year after the date of the transaction giving rise to the cause for arbitration regardless of when Client discovers the facts relating to the cause for arbitration.

16. JOINT UNDERTAKING. If more than one person is signing this Agreement as Client, each undertaking herein shall be a joint and several undertaking of all such persons, and the foregoing grant of power of attorney and authority to Advisor shall be a joint and several grant by all such persons. Action of any one Client pursuant to this Agreement shall bind all such Clients. An account in joint names creates a joint tenancy with right of survivorship and not a tenancy in common.

17. COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be considered an original and all of which counterparts of each agreement shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Managed Account Agreement to be duly executed as of the ____ day of _____ 200_, with an effective date as of the ____ day of _____ 200_.

First Client's Signature

Second Client's Signature

First Client's Name and Title

Second Client's Name and Title

First Client's Address & Telephone

Second Client's Address & Telephone

Boston Merchant Financial, Ltd

By: _____

Name: _____

As: Director

Boston Merchant Financial Ltd.
Mill Mall Tower, 2nd Floor
Wickhams Cay 1
Road Town, Tortola
British Virgin Islands

Ph: +1-514-667-8470/8471

Fax: +1-514-221-3812

Email: fxma@bmfnc.com

Web: http://www.bmfnc.com/money_management.html



1 What is a managed account?

- An investment account that is owned by an individual investor, held at a clearing firm, and traded by a hired professional money manager.

2 How do I open a Foreign Exchange Managed Account?

- To open a Boston Merchant Foreign Exchange Managed Account (FXMA), you will need to download, complete, and provide us with the following forms:
 - **Account application and Customer Agreement**
 - **Limited Power of Attorney form**
- A Boston Merchant representative will notify you as soon as your application has been processed and approved via email.

3 How do I fund my account?

- There are three easy ways to fund your account:
 - **Wire Transfer** – The fastest and easiest way to fund your account. All non-US dollar deposits are converted into US dollars at competitive rates, and your account is funded with US dollars.

Deposit via Wire Transfer	U.S Destination
Bank:	Wachovia Bank NA
Address:	New York, NY
ABA:	0312-0146-7
SWIFT:	PNBPUS33XXX
Beneficiary	Fund Administration FBO Boston Merchant Financial, Ltd
Account No:	20000-3873-1310
Reference:	Client Name and Account Number

Deposit via Wire Transfer	European Destination
Bank:	Raiffeisenbank ZAO
Address:	Moscow, Russia
SWIFT:	RZBMRUMMXXX
Beneficiary	Boston Merchant Financial, Ltd
Account No:	40701840800000410116
Reference:	Client Name and Account Number



4 What is the minimum initial deposit required to open a FXMA Account?

- The minimum initial deposit required to open a Managed Account is \$10,000. All deposit and withdrawals can be made any time by submitting an application.

5 Where should I send my application?

- There are three easy ways to submit your account application.

The fastest way to provide us with your completed account application is to scan

- * your documents and attach them to an email sent directly to us at fxma@bmfnc.com
- * By Fax: +1-514-221-3812
- * By Mail : Boston Merchant Financial Ltd. Mill Mall Tower, 2nd Floor, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

6 How are the management and performance fees assessed?

- A Management fee of 3% is realized by BMFN every time a deposit is made to your FXMA account. The performance fee is assessed monthly and is equal to 30% of any new high-water mark in your managed account. A new high-water mark equals the sum total of net realized profit/(loss), plus the change in unrealized profit/(loss) less management fees since inception or the last month end in which a performance fee was paid.

7 What is a high-water mark?

- A high-water mark is the highest value an account has reached since inception or since the last time a performance fee was paid, if applicable. If your account were to lose money, it must first recover to a performance level above its previous high-water mark in which a performance fee was paid before the performance fees can be assessed again. In other words, your account is protected against being charged fees when the performance of the account falls below the highest previous level. An account that falls below the high-water mark cannot be assessed performance fees until the net value of the account rises above the previous level.

8 How often can I deposit/withdraw funds from FXMA?

- You can submit deposit or withdrawal requests from your FXMA at anytime.

9 How soon after I submit a withdrawal request will you send me my funds?

- Withdrawal requests are processed any time of the month after an application is submitted. Funds typically take between two to three days to be returned from the time they are processed.

10 Where can I check the balance and/or performance of my FXMA?

- You can check performance of your managed account at any time, logging into My Account.