

The Street Trader (Hong Kong) Ltd

Professional Service Agreement

This AGREEMENT is made on [DATE: _____] by and between "The Street Trader (Hong Kong) Ltd" (hereinafter "TST") and the sub-contractor (**Member Name:** _____), whose address is _____, (hereinafter "MEMBER"). This agreement supersedes any previous agreement between the parties hereto.

NOW THEREFORE, in consideration of the mutual promises and covenants of the parties hereto, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Term of Agreement

1.1 This agreement shall commence effective (**START DATE:** _____) and shall terminate after one year of service unless this agreement is renewed in writing or terminated as hereinafter set forth. Member understands that TST is the referring agent and risk manager for the member on behalf of the chosen provider of trading capital. The chosen provider is a private equity firm and is not a registered broker dealer. **All US Citizens and Residents that are recommended by (Agent Name: _____) have been granted special permission to become member with TST.** Other than that, TST does not allow US Citizens and/or residents to participate in their trading services. The member also understands that he/she is a subcontractor on behalf of the provider and are not establishing an individual trading account in the same fashion as a retail brokerage firm.

2. Obligations of Member

2.1 Member shall effectively trade securities on behalf of the chosen provider via direct access trading platforms. Member will receive access to the provider account and shall have permission to day trade securities within the provider's account with an allocated amount of capital. The amount of capital will be determined by the risk manager of the account provider. The member will share in the expenses associated to their trading activity. These expenses will be deducted from the member's collateral contribution unless other arrangements are established. The expense structure in which the member will share is illustrated on the attached "System Setup Form."

2.2 Member shall be responsible for all losses and expenses incurred from his/her trading activities. The designated provider requires the member to maintain a minimum collateral contribution of at least **\$1,000** at all times. This collateral contribution is to be held as collateral to offset any potential monetary damages the member may cause to the account provider's capital. The collateral contribution amount provided by the member will be in the sum of (**Deposit Amount:** \$ _____.) The designated provider will allocate its firm's capital to the member in the amount of (**Allocated Capital:** \$ _____).

2.3 Member shall share in the expenses of their trading activity. The pricing structure of these monthly expenses are illustrated on the attached "System Setup Form". This amount will be debited from the member's collateral contribution on the first business day of each month. These monthly expenses cover the cost of maintenance related to the activity produced by the member. This maintenance includes but is not limited to services related to administration, risk management, reporting services, trading education and all other day to day operations required to maintain the member's activity.

3. Obligations of TST

The Street Trader (Hong Kong) Ltd

3.1 TST will provide the management and personal support for the member on behalf of the chosen provider. TST will manage and coordinate all trading services, capital allocation and reporting services provided by the designated trading service provider. All duties will be performed by TST in accordance to the parameters established during the initial consultation with TST.

3.2 TST agrees to pay member an amount equal to _____% of net gains accrued on designated firm account and shall be entitled to withdraw funds once per month. **All TST disbursements will be sent by wire on or around the 15th of every month. Disbursement requests must be made in writing and requires 10 business days of prior notice (not including weekends or holidays).** If member misses the deadline and fails to provide sufficient prior notice, he/she will have to wait for the 15th of the next month to receive the disbursement requested.

3.3 Net gains are defined as any accumulated gains in excess of accumulated losses, less transaction costs, fees and expenses. Fees shall include ECN fees, SEC costs, exchange fees, execution costs, overnight position fees and any other costs of trading. At member's discretion, gains may be added to the Member's collateral contribution and upgrade their risk parameters.

4. General Guidelines - *Intraday allocated capital applies to the hours of 9:30am to 4:00pm EST.

4.1 Liquidation/Alert Levels: TST's providers utilize a **\$2,000 "alert-level"** and a **\$1,000 "liquidation-level"** for all individuals who trade their capital. This provision may be modified on a case by case basis.

\$2,000 Alert-Level: In most cases, member will receive a warning by phone, email or instant message if his/her collateral contribution balance falls below \$2,000. At this point, the member's order entry status maybe authorized for liquidation-only, thus restricting member from establishing any new positions, until such time that the risk capital balance reaches a level of \$2,000 or greater. This may be established through additional collateral contribution or an increase in market value of the account overall value. TST, reserves the right to increase or decrease this "Alert Level" at any time without prior notice or approval by member. This provision may be modified on a case by case basis.

\$1,000 Liquidation-Level: If the member's collateral contribution balance, reflected in a real-time marked to-market basis, falls to a level of \$1,000 or lower, all existing positions in the account will/may be automatically liquidated at current best market prices by TST's designated trading service provider. The designated third party provider reserves the right to increase or decrease this "Liquidation-Level" at anytime without prior notice or approval by member. This provision may be modified on a case by case basis.

4.2 Daytime Capital Allocation: Member shall receive access to the firm's capital to trade in the amount allocated by the TST's designated trading service provider. The provider will allocate an amount of **(Capital Allocation: \$ _____)** to the member as agreed. This amount is typically based on the pre-determined risk parameters and will be decided by the third party provider upon request.

4.3 **Overnight/Swing Trading:** TST's third party providers of capital **do not allow overnight positions.** However, in some cases TST and/or the provider may approve overnight positions on a case by case basis upon request only. Otherwise **all open positions must be covered in their entirety no later than 5pm EST.** Any position held past 5pm will be liquidated / covered by the designated provider of capital and trading services. **No prior notice or warning to the member is required under such violation of this rule.**

5. Mutual Intentions and Obligations

The Street Trader (Hong Kong) Ltd

5.1 Member is an individual in business for themselves. The member is neither an employee nor any staff member of the TST. The status is that of an independent contractor only.

5.2 **Member understands that they do not have a retail brokerage account with a broker dealer in any way.** TST is the acting risk manager/Introducing agent on behalf of the designated provider of capital and trading services. Neither TST or the provider are registered broker dealers of any kind. The member is sub-contracted by the provider and is allocated a fixed allotment of capital within the providers master account located at their selected registered broker dealer. The member is equipped with limited trading authorization and permission to trade the firm's capital within the provisions and restrictions of this agreement.

5.3 Member, their employees and staff are not entitled to any benefits which TST may provide to and for the benefit of its employees, including but not limited to, profit sharing, retirement benefits, unemployment insurance, incentives and health insurance. Member's entire compensation for services rendered under this agreement is expressly limited to the compensation under the terms of section 3. As an independent contractor, the member is responsible for his own tax obligations.

5.4 Member understands and acknowledges that they are in no way employed by the company, nor will he be entitled to any compensation, benefits or profits of TST. Member is an independent contractor.

5.5 **This agreement shall be terminated if and when member's equity falls below the liquidation-level of one thousand dollars (\$ 1,000.00).** This provision may be extended/restricted at any time by an authorized TST admin. The Member may choose to terminate their agreement with TST and request to withdraw their remaining collateral contribution minus any operating expenses created by the member's activity including but not limited to losses, transaction fees, monthly maintenance and all other related costs illustrated on the "system setup form". Member may also choose to continue trading and will be required to increase their collateral contribution in upon approval. Either party upon written notice may terminate this agreement within fifteen business days' notice. This agreement shall expire and terminate exactly 1 year from the date of inception. TST reserves the right to terminate this agreement at anytime for any reason if the member's risk parameters exceed the firm's risk tolerance or finds the member applicable to provisions 6.2a-b.

6. General Provisions

6.1 **No Other Inducement:** The making, execution, and delivery of this Agreement by the parties hereto have been induced by no representation, statement, warranty or agreement other than those as written herein.

6.2a **Severability:** If any term, provision, covenant or condition of this agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court or competent jurisdiction, the remainder of this Agreement shall not be affected thereby.

6.2b **Fraudulent Trading Activity:** TST reserves the right to terminate this agreement at any time without prior notice if the member is suspected of committing fraudulent trading activity while trading the in the account of the capital providers. This activity may include and is not limited to front running stocks, acting on inside information, price manipulation and all other activities that may be suspected of fraudulent trading. In such event, TST reserves the right to retain the collateral contribution of member until any issues related to the suspected fraud is resolved.

The Street Trader (Hong Kong) Ltd

6.3 No Waiver: A failure of either party hereto, at any time, to require performance by the other party hereto of any provision of this Agreement required to be performed by such other party will, in no way, effect the right of either party to require such performance at any time thereafter. The waiver by either party hereto, of a breach by the other party hereto, of any provision of this Agreement shall in no way be construed as a waiver of any succeeding breach.

6.4 Notices: Any notices or communication required or permitted to be given or delivered under this Agreement, shall be deemed to have been duly given only if it is in writing and delivered personally, sent by mail or e-mail to the address(s) as set forth above or to such other address(s) as either party may designate. TST reserves the right to amend or modify any clause and/or stipulation in this agreement at any time with (7) business days notice to member by email. All notices given in accordance with this provision shall be deemed to have been given on the date so personally delivered or seven (7) business days after the date since mailed.

6.5 Time of the Essence: Time is of the Essence in the performance of each and every promise, covenant and duty contained within this agreement.

6.6 Successors: All of the terms and conditions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, legal representatives, successors, and permitted assigns.

6.7 Further Assurances: The parties agree to take such further action and execute such further documents and instruments as may be reasonably necessary in order to effectively carry out the terms of this Agreement and the intentions of the parties hereto.

6.8 Entire Agreement: This agreement constitutes the entire understanding between the parties. No amendment, modification, or addition to this Agreement shall be binding upon either party unless reduced to writing and duly executed by the parties hereto.

6.9 Governing Law: The validity, construction and performance of this agreement shall be governed by, and interpreted in accordance with, the laws of Hong Kong. Hong Kong shall be the jurisdiction for any action arising from this agreement. Any dispute shall be brought and settled in court, which shall be held in Hong Kong. Should any party commence legal action for relief under this agreement, the prevailing party shall be entitled to their legal costs and expenses, including, but not limited to, reasonable attorneys' fees as determined by the court.

7. Risk Disclosure

7.1 The member signing below ("Member"), trade on behalf of designated capital provider, agrees that trading an account of the provider does not convey ownership of the account or any pecuniary interest in the sub-account and distributions there from are governed by an Independent Contractor Agreement between member and TST. TST's designated provider of capital and trading services beneficially owns the sub-account, and the securities and cash in the account are not the property of any other entity or individual.

7.2 Trading may involve the use of allocated capital in excess of the member's collateral contribution. The use of this excess capital is extremely risky and does not necessarily increase the rate of return.

7.3 Members may be restricted from certain securities as dictated by the capital provider at any time for any reason. Members are subject to potential prosecution under the federal securities laws for any

The Street Trader (Hong Kong) Ltd

illegal activity conducted and FINRA will monitor all such trading activity so as to detect any such improper activity.

7.4 Trading may involve extreme risk. “Day Trading” is particularly speculative and is NOT considered to be “investing” in any way. As with any form of speculation, there are risks involved. Day trading is a fast-paced and high intensity strategy. The excitement and stimulation of day trading can be very attractive and habit forming. The member’s profits/losses should be carefully monitored. Since excess capital is allocated by the provider, it is possible for the member to lose money in excess of his/her collateral contribution.

7.5 Past experience does not predict future results. Any success enjoyed by others using day trading strategies does not guarantee similar results for you. Only risk capital should be used, and the rigid observation of a system of stops for loss control is strongly recommended to prevent large losses from mounting rapidly. Individuals who have failed to place appropriate stop-loss orders while day trading have sustained substantial losses. Cutting losses quickly is an essential cornerstone of successful day trading.

7.6 Trading costs and expenses may add up to a substantial amount. For many successful members, these costs take up a substantial portion of gross profits. Some trades may be subject to additional charges if executed by an Electronic Communication Network (ECN) such as “ARCA, NSDQ, NITE, etc..”.

7.7 Professional members, funds, specialists, and market makers are also trading securities on a short-term basis. This will cause movement in bid and offer prices and sizes, as well as other changes in the pricing information. These changes may lead a member to believe that certain transactions will be profitable, when, in fact, these conditions may quickly disappear, leaving the member in an unprofitable position.

7.8 Continuing to hold positions intended for short-term speculation after the end of the trading day introduces a higher level of risk. Securities suitable for day trading are volatile. Various regulatory bodies can halt trading and news outlets can release very helpful or damaging news, causing a stock to open for trading the next day at a price very different from where it closed with no intervening opportunity to exit the trade. Trades executed during a halted market are strictly prohibited. Members are personally responsible for ensuring that no trades are executed in their sub-account in a stock subject to a halted market.

7.9 News outlets can release very damaging or helpful news concerning a security that can cause very sudden, drastic price moves, with very limited opportunities to exit the trade. TST does not make any recommendations. Your decisions to make trades are your own responsibility. TST does not represent any trading opportunities as superior to any others.

7.10 Disruptions in the electronic trading systems or lines used by Broker, the NASDAQ or the NYSE could disrupt trading and the liquidity and availability of timely execution could diminish substantially. If this occurs during periods of volatility, substantial losses could be incurred. TST will not be liable for any losses that may occur due to technical failures of any kind. These failures may include but are not limited to the failure of internet connection, phone line, computer functionality, trading software, or any system failure on behalf of the trader, the software provider or the designated trading service provider.

7.11 Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended

The Street Trader (Hong Kong) Ltd

hours trading as compared to regular market hours. As a result, your order may only be partially executed, or not at all.

7.12 Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular market hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price in extended hours trading than you would during regular market hours.

7.13 Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system. By signing below, you acknowledge that you understand all the risks set forth above. IN WITNESS THEREOF, each of us acknowledges receipt of a copy of this agreement and has entered into this Agreement on the date first written above.

Member Printed Name

Signature

Date

The Street Trader (Hong Kong) Limited

Date