WELLINGTON LEGACY CAPITAL

TERMS AND CONDITIONS OF CLIENT ENGAGEMENT

Effective Date: Last reviewed January 11th 2025

Prepared for: Prospective and Active Clients of Wellington Legacy Capital

1. INTRODUCTION

This Terms and Conditions Agreement ("Agreement") sets forth the legally binding terms under which Wellington Legacy Capital ("Wellington Legacy", "we", "our", or "us") agrees to provide investment services to the individual or entity executing this document ("Client", "you", or "your"). By signing this Agreement, the Client affirms that they have read, understood, and accepted the conditions herein and agrees to be bound by all provisions, including related exhibits, schedules, and risk disclosures.

Wellington Legacy is a boutique commodities-focused investment firm that offers discretionary options trading strategies across a range of hard assets including precious metals, energy, and agricultural products. We tailor institutional-grade derivative structures to private clients seeking exposure to commodities with defined risk strategies.

2. SCOPE OF SERVICES

2.1 Discretionary Investment Management

The Client hereby authorizes Wellington Legacy to exercise full discretion over the management of the Client's designated investment accounts. The Firm shall have authority to initiate, adjust, and close positions in listed options, futures options, and related contracts in accordance with the Client's selected risk profile and stated investment goals.

2.2 Investment Strategy Focus

Our core strategies may include but are not limited to:

- Long and short call and put options on commodity contracts (e.g., gold, oil, wheat).
- Vertical spreads, calendar spreads, and iron condors.
- Volatility-based hedging strategies.
- Tactical directional positions linked to macroeconomic or geopolitical catalysts.

2.3 Strategic Communication and Reporting

Wellington Legacy will provide:

- Monthly portfolio summaries and open position reports.
- Strategy updates upon material changes.
- Year-end tax documentation (1099 or equivalent) in coordination with custodians if requested by client.

3. CLIENT REPRESENTATIONS AND WARRANTIES

By executing this Agreement, the Client represents and warrants that:

- They are of legal age, have full legal capacity, and are authorized to enter into this Agreement.
- They are not subject to any restrictions, fiduciary obligations, or legal encumbrances that would interfere with the execution of this Agreement.
- All information provided to Wellington Legacy during onboarding is accurate, complete, and will be updated in the event of a material change.
- They understand the risks associated with derivatives and options trading and affirm suitability of these instruments for their investment profile.

4. REGULATORY STATUS AND LEGAL COMPLIANCE

4.1 Anti-Money Laundering (AML) & Know Your Client (KYC)

The Client agrees to provide documentation and identification required by Wellington Legacy or its service providers for AML and KYC compliance under relevant regulatory

regimes, including but not limited to the Bank Secrecy Act (BSA), USA PATRIOT Act, and FATCA.

4.2 Non-U.S. Clients

For non-U.S. persons, you affirm compliance with your local jurisdiction's regulatory, tax, and reporting obligations. Wellington Legacy does not provide tax or legal advice to non-U.S. residents and shall not be liable for any cross-border regulatory issues resulting from your use of our services.

5. CUSTODY AND EXECUTION

5.1 Account Setup

All client funds and assets are held in segregated accounts at third-party brokerage firms or futures commission merchants (FCMs) selected by either the Client or Wellington Legacy. Wellington Legacy does not custody or directly access client funds.

5.2 Trading Authority

The Client grants the Firm limited power of attorney for the purpose of executing trades and deducting advisory fees. No funds may be withdrawn by the Firm on the Client's behalf outside the fee agreement.

5.3 Trade Execution and Slippage

Wellington Legacy aims to execute trades using reasonable efforts and best execution standards, but does not guarantee specific entry or exit prices, fills, or spreads. The Client

acknowledges that liquidity constraints, fast-moving markets, and exchange outages may affect execution.

6. FEES AND COMPENSATION

6.1 Fee Schedule

The following fees apply under the standard discretionary agreement, unless otherwise modified in Exhibit A:

- Performance Fee: 10.00% of net new profits, subject to:
- A minimum annual return threshold of 30%.
- A high-water mark provision to ensure performance fees are only charged on

new gains.

6.2 Billing and Collection

Fees will be billed monthly or quarterly, and it is the responsibility of the client to cover them in a timely manner as per agreement as long as thresholds are met by the Firm (Exhibit A).

6.3 No Refunds

All advisory fees, once collected, are final and non-refundable unless due to Firm error or regulatory enforcement.

7. INVESTMENT RISKS AND DISCLAIMERS

7.1 Options Trading Risk Factors

Investing in options entails material risk and may result in loss of some or all invested capital. Risks include:

- Time decay and option premium erosion.
- Market volatility and pricing anomalies.
- Liquidity limitations, especially in thinly traded contracts.
- Margin calls (for certain complex strategies).
- Complete loss of premium paid on long options.

7.2 No Guarantees

Wellington Legacy makes no assurance of profit, success, or capital preservation. All strategies are subject to market forces beyond the Firm's control. The Client acknowledges that historical performance is not indicative of future results.

7.3 Conflicts of Interest

The Firm may manage multiple client accounts with similar or conflicting investment mandates. While reasonable care will be taken, there is no obligation to allocate trades or opportunities equally among clients.

8. REPORTING AND COMMUNICATIONS

8.1 Electronic Communication Consent

The Client consents to receive all correspondence, account statements, legal documents, and regulatory disclosures via electronic methods, including secure portal, email, or encrypted file sharing.

8.2 Account Access

Wellington Legacy may provide online access to client dashboards, performance tracking tools, or trading platforms operated by third-party providers. Access may be suspended for maintenance or compliance reasons without notice.

9. CONFIDENTIALITY AND DATA SECURITY

9.1 Confidential Treatment

The Firm agrees to maintain all Client information in strict confidence and will not disclose such information except:

- To third-party service providers under confidentiality agreements.
- As required by regulators or law enforcement.
- With the Client's express consent.

9.2 Data Security

Wellington Legacy implements commercially reasonable safeguards to protect client data, including encryption, restricted access, and secure servers. However, no digital system is 100% secure, and the Firm is not liable for breaches beyond its control.

10. TERM, TERMINATION, AND ACCOUNT CLOSURE

10.1 Term

This Agreement becomes effective on the date of signature and remains in effect until terminated by either party.

10.2 Termination

Either party may terminate this Agreement with 30 calendar days' written notice. The Firm may terminate the relationship immediately upon:

- Failure of the Client to comply with legal requirements;
- Insolvency or incapacity of the Client;
- Regulatory concerns or reputational risk.

10.3 Liquidation Process

Upon termination, all open positions will be liquidated in a commercially reasonable time frame unless otherwise directed. Final fees will be calculated and deducted accordingly.

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11. LIMITATION OF LIABILITY AND INDEMNIFICATION

11.1 Limitation of Liability

Wellington Legacy shall not be liable for:

- Losses due to market movement, liquidity conditions, or erroneous third-party pricing;
- Actions taken in good faith under discretionary authority;
- Technical malfunctions, cyberattacks, or outages.

Liability is limited to the total advisory fees paid by the Client over the prior 12 months.

11.2 Indemnification

The Client agrees to indemnify, defend, and hold harmless Wellington Legacy, its officers, employees, and agents from any claim, liability, cost, or loss arising out of the Client's actions, misrepresentations, or breach of this Agreement.

12. MISCELLANEOUS

12.1 Entire Agreement

This Agreement, including any attached exhibits or schedules, constitutes the entire understanding between the parties and supersedes any prior arrangements.

12.2 Assignment

The Client may not assign this Agreement to any third party without the prior written consent of Wellington Legacy.

12.3 Severability

If any clause is found to be unenforceable, the remaining provisions shall remain in full force.

12.4 Governing Law

This Agreement shall be governed by the laws of the State of [Insert Jurisdiction], and all disputes shall be subject to binding arbitration under the rules of the American Arbitration Association (AAA) or litigated in the courts of [Insert County, State].

WELLINGTON
LEGACY CAPITAL

13. EXECUTION AND ACKNOWLEDGMENT

By signing below, the Client confirms they have read and understood this Agreement, accept all terms without reservation, and authorize Wellington Legacy to act under discretionary authority for the purpose of managing their investment account(s).

CLIENT NAME: _____

SIGNATURE: _____

DATE: _____

WELLINGTON LEGACY REPRESENTATIVE: _____

TITLE: _____

SIGNATURE: _____

DATE: _____

[Optional Exhibits to Include as Attachments:]

- Exhibit A – Fee Schedule
- Exhibit B – Risk Disclosure Statement
- Exhibit C – Client Investment Profile Questionnaire
- Exhibit D – Limited Trading Authorization Form
- Exhibit E – Conflicts of Interest Disclosure