



Xtream Markets Ltd

COPY TRADING AGREEMENT TERMS AND CONDITIONS

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1. Introduction

1.1 Xstream Markets Ltd (hereinafter referred to as the 'Company'), is incorporated by Marshall Island in 1961 exclusively all commercial, financial, lending, borrowing, trading, service activities and the participation in other enterprises as well as to provide brokerage, training and managed account services in currencies, commodities, indexes, CFDs and leveraged financial instruments. The objects of the Company are all subject matters not forbidden by International Business Companies (Amendment and Consolidation) one of the largest business conglomerates in South Eastern Europe.

1.2 This Agreement shall be complementary with all other Operative Agreements between the Company and the Client and together shall include all the terms and conditions by which the business relationship of the Client and the Company will be governed with respect to the provision of the Service i.e. termination of any of the Operative Agreements between the Company and the Client shall constitute an immediate termination of this Agreement.

2. Client Acceptance Criteria

2.1. The Service is only available to Clients of the Company who have fulfilled the criteria outlined below:

- (a) Client must be equal or above the age of 18
- (b) Client have applied for the Service through the applicable link on the Company's website and/or Client's myXstreamForex area
- (c) Verify their account after submission of Proof of identity and Proof of address

2.2 It is understood that the Company has the right to request any additional information and/or documentation from the Client at any time throughout the term of this Agreement and/or the business relationship with the Client.

3. Acknowledgements

3.1. The Parties acknowledge that they have read, understood and accepted the present Agreement, and all Operative Agreements available on the Company's website.

The Parties further acknowledge and understand that:

- (a) The Company's relationship with them will be governed by the terms and conditions of this Agreement and all other Operative Agreements available at the Company's website, as amended from time to time;
- (b) The Service is not an asset management tool and under no circumstances, it shall be constituted as Investment Advice or a Portfolio Management service;
- (c) They understand and accept the nature of inherent risks on CFDs trading as specified in the Risk Disclosure document available at the Company's website.
- (d) The Company does not guarantee the recurrence of rates of return that have been made by a Strategy Provider in the past.

(e) Any information in relation to the Service which is known to the Strategy Provider or the Copier respectively by using this Service shall be used solely for his own account.

(f) That the ratio between profits and losses of a Strategy Provider shall not always be the same as the ratio between profits and losses of his Copiers.

(g) The Company shall follow the principles set out in its Order Execution Policy with respect to the execution of orders, which is available to all Clients via the Company's website. The Parties are required to ensure that they understand the principles laid down in the Order Execution Policy of the Company prior to entering into a business relationship with the Company.

4. Strategy Provider

4.1. A Client who wishes to register as a Strategy Provider is required to complete a Strategy Provider Account Opening Form.

4.2 The Strategy Provider, his Strategy Provider Account will be added to the public Strategy Provider Accounts on the designated page.

4.3 The Strategy Provider can open only the following positions on his Strategy Provider Account:

- (a) Buy;
- (b) Sell;
- (c) Buy and Sell Limit;
- (d) Buy and Sell Stop;
- (e) Take Profit;
- (f) Stop Loss.

5. Strategy (trade) Copier

The trade copier acknowledges, understands and confirms that acceptance or rejection of any Strategy Provider Proposal is an entirely voluntary decision of the Copier and does not entail the conclusion of any contract, material reciprocal relationship or any other commitment binding the Company, Strategy Providers and Copiers.

6. Requirement of Strategy Provider

6.1. The Strategy Provider acknowledges, confirms and understands that by using this Service he must follow the following principles of the Company's Code of Conduct:

- (a) He shall not promote any unsolicited and/or unauthorized commercial advertising, promotional materials or other form of solicitation;
- (b) He shall not refer to any other Strategy Provider Accounts and/or internet sources;
- (c) He shall not reveal any Copier identity through email addresses, URL addresses, Skype ID, telephone number, personal account details and any other form of identification of a Copier to any third party;
- (d) He shall not attempt to impersonate or falsely state or otherwise misrepresent another user, person or entity;

(e) He shall not represent himself as a representative and/or affiliate and/or connected person with the Company in any contracts and/or agreements either verbally and/or in writing other than within the context of this Agreement;

(f) He shall not violate the existing copyrights, patents, trademarks or other proprietary rights of the Company which might come to his possession during the course of this Agreement;

(g) He shall not promise and/or guarantee to any Copier and/or a prospective Copier any sort of definite returns of investment i.e. any form of projected gains, expected returns, guarantees of profits, and/or risk level, drawdown and/or unrealistic/false guarantee;

(h) He shall not make any statements and/or calculations and/or obligations on behalf of the Company on any means of public communications i.e. forums, journal articles, books presentations.

(i) He shall not use any threatening and/or abusive and/or harassing and/or defamatory and/or vulgar and/or obscene and/or hateful or otherwise objectionable content including but not limited to racial and/or nationalistic and/or ethnic slurs on his Strategy Provider Account.

7. Trade Copier Registration

7.1. A Client who fulfils the criteria set out in Clause 3.1 of this Agreement may apply to the Company to become a Copier of a Strategy Provider. A Client may become a Copier of a Strategy Provider by registering for a copier Account and the following conditions must be met:

(b) Select a Strategy Provider to follow.

(c) Select the Rescue Level.

(d) Select the Volume Allocation Percentage.

7.2 The Copier is permitted to follow more than 1 (one) Strategy Provider per copier Account at any given time.

7.3 In the event that there are insufficient funds in the trade copier Account to support the copying of a Strategy Provider trade, then the specific position will not be opened.

7.4 The trade copier acknowledges, understands and confirms the following risks associated with the execution of orders on his copier Account:

(a) The Company cannot guarantee that an order opened on the copier Account will be executed at the same price as an order on the Strategy Provider's Account.

(b) An order placed by the Strategy Provider will normally be executed at the same time on the copier Account. Nevertheless, it is understood that if, by the time the order is executed on the copier Account, the price of an order has moved considerably far from the price in which the Strategy Provider has opened the order due to high volatility in the market, the Company reserves the right to not open the relevant order on the copier Account;

(c) An order placed by the Strategy Provider will normally be executed at the same time on the Copier Account. Nevertheless, it is understood that if, by the time the order is about to be executed on the Copier Account the order has been already closed by the Strategy Provider then the order will not be executed on the Copier account;

(d) If the price of an order has moved considerably far from the price in which the Strategy Provider has chosen to close the trade, the Company reserves the right to close the trade on the available market price at the time of closure.

(e) The Company reserves the right to reject an order to be opened on the copier Account if the volume restriction on a given financial instrument is not met. The volume restrictions of each financial instruments are available through the Company's website;

(f) The costs associated with the financial instruments offered by the Company which are faced by the Copier might differ from the costs faced by the Strategy Provider, depending on the type of the trading account that each one has opened i.e. when the Strategy Provider has opened a trading account associated with lower costs compared to the trading account opened by the Copier, due to the type of the trading account opened by each one of them, this might have a different outcome on a particular trade or the overall strategy of each one.

(g) Taking into consideration the risks associated with the execution of orders, the Copier shall be responsible for assessing the strategy of the Strategy Provider and take the necessary actions for his copied trades. The Company shall not be liable for any losses resulting from the execution of orders and the Copier failure to assess his copied strategy.

7.5. In case a Client's Copier Account Equity drops below 5 USD and there are no open positions, this Copier Account will be unfollowed from the respective Strategy Provider's Account and the outstanding equity will be moved to the Client's myXtreamForex account.

8. Rescue Level

8.1. Rescue Level is the percentage of equity that a Copier can keep secured in case of loss on the copied trades in the Copier Account.

8.2. Rescue Level can be adjusted during each deposit or withdrawal to/from the copier Account and can be set to a maximum of 40% of the equity at the time of each deposit or withdrawal.

8.3. Once the Rescue Level is reached, all open trades on the copier Account are closed and the remaining funds are no longer available to be placed on trades.

8.4. The copier hereby acknowledges and understands that due to high volatility, Rescue Level can be triggered below or above the expected amount. It is understood that the Company shall not be held liable for the difference between the expected rescue amount and the actual rescued amount in case of volatile market conditions.

9. Performance Fee

9.1. Strategy Providers will select at the time of opening their Strategy Provider Account a Performance Fee percentage up to a maximum of 50% (Fifty percent).

9.2. Copiers are obligated to pay the Performance Fee to the Strategy Provider they choose to follow based on their positive performance i.e. the Strategy Provider shall not receive the Performance Fee in case of a negative performance.

9.3. The Performance Fee is calculated according to the below formula:

$(\text{Copier's Profits} - \text{Copier's Losses}) * \text{Strategy Provider chosen Performance Fee \%} =$

Performance fee payable by copier to the Strategy Provider

Example A:

Strategy Provider A chosen Performance Fee is 20%

Copier A profit = 1,000 USD

Copier A loss = 0 USD

$(1,000 - 0) * 20\% = 200 \text{ USD}$ payable by the Copier to the Strategy Provider

10. Prohibited Trading

10.1. If the Company suspects or has reasons to believe that any of the Parties are involved in any form of prohibited trading i.e. certain trading techniques commonly known as "arbitrage trading", "picking/sniping" and/or follow an abusive trading strategy i.e. any trading activity which is aiming towards potential riskless profit by opening opposite orders, during periods of volatile market conditions, during news announcements, on opening gaps (trading sessions starts), or on possible gaps where the underlying instrument has been suspended or restricted on a particular market, between same or different trading accounts, the Company reserves the right to:

- (a) Terminate this Service with immediate notice to the Parties and/or the business relationship established between the Company and any of the Parties;
- (b) Close any of the Parties' accounts with the Company and/or suspend his account for an indefinite period of time;
- (c) Charge a penalty fee to any of the Parties as the Company deems fit and proportionate;
- (d) Close the account, confiscate any profits that arose from prohibited trading techniques and return the original deposit(s) to the Parties. If profits arising out of Prohibited Trading were already withdrawn, profits can be confiscated from the Parties related accounts in order to make up for the difference.

11. Amendment and Termination

11.1. The Company has the right to unilaterally amend the Terms and Conditions of this Program from time to time, without any of the Parties' consent. The Service is available to the Parties at the Company's discretion. The Company has the right to terminate and/or remove this Service by giving written notice to the Parties.

11.2. This Agreement may be terminated in any of the following cases:

- (a) Any of the Parties communicated to the Company his desire to stop receiving the Service either by utilizing the unfollow option or by contacting the Xstream Markets Ltd copy Department of the Company.
- (b) Any of the Parties no longer meet the criteria to receive the Service. The Company shall not notify the affected Party in advance.

11.3. In the event that any prohibited trading activities are undertaken by any of the Parties within any of their trading accounts or/and any other account related to it.

11.4. If the Company suspects or has reason to believe that the Parties have submitted fraudulent details and/or false identification information during registration for the Service and/or during the Account Opening Process for opening a Live Account with the Company;

11.5. If the Company suspects or has reason to believe that the Parties have abused and/or manipulated in any way any of the Terms and Conditions of this Service and/or any other Operative Agreement of the Company and/or have not acted in good faith;

11.6. If the Company suspects or has reason to believe that the Parties have abused and/or manipulated any of the Terms and Conditions of this Service by hedging his positions internally (using other trading accounts held with Company) or externally (using other trading accounts held with other brokers) and/or has not acted in good faith;

11.7. If it is not feasible to comply with the terms of this Agreement due to rules and regulations enacted by the regulatory authority having jurisdiction over the Company and/or any other legislative requirement having jurisdiction over the business being conducted by this Agreement.

12. Governing Language

12.1. The Terms and Conditions of this Agreement and any other Operative Agreement of the Company are made in the English language. Any other language translation is provided as a convenience only. In the case of any inconsistency or discrepancy between original English texts and their translation into any other language, as the case may be, original versions of English shall prevail.