

ECN TRADING TERMS AND CONDITIONS

INTRODUCTION

UBK Markets Ltd is incorporated in the Republic of Cyprus with Registration Number HE293861. The Company is authorised and regulated by the Cyprus Securities and Exchange Commission ('CySEC'), with license No. 186/12, and operates under the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law of 2007, Law 144(I)/2007, as subsequently amended from time to time (the Law). The Company's office is located at 67, Spyrou Kyprianou Avenue, Kyriakides Business Center, 2nd Floor, CY-4003 Limassol.

The Customer acknowledges that the Company's official language is English.

The office address of the 'Cyprus Securities and Exchange Commission (CySEC)' is 27 Diagorou Street, 1097 Nicosia, Cyprus (Telephone: +357 22 506 600/Fax: +357 22 506 700/http://www.cysec.gov.cy) and its postal address is P.O BOX 24996, 1306 Nicosia, Cyprus.

The Company is operating under Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC (the "Markets in Financial Instruments Directive (2004/39/EC)" or "MiFID"), as the same may be in force from time to time and modified or amended from time to time, which was implemented in Cyprus by Cyprus Law 144(I)/2007 of 26 October 2007 and Cyprus Law 106(I)/2009 of 23 October 2009, which provide for the provision of Investment Services, the exercise of Investment Activities, the operation of Regulated Markets and other related matters, as the same may be modified and amended from time to time and Directive DI144-2007-02 of 2012 of the Cyprus securities and exchange commission for the professional competence of investment firms and the natural persons employed by them.

Since this agreement is made between parties who are geographically remote, it is governed by the Distance Marketing of Consumer Financial Services Law N.242 (I)/2004, which applies to the EU Directive 2002/65/EC, and according to this directive the Customer Agreement is not required to be signed by either the Customer or the Company or both parties, in order to be legally binding.

1. TERMS AND DEFINITIONS

Whenever the masculine, feminine or neuter gender or the singular or plural number is used in these clauses, it shall equally, where the context admits, include the others.

A reference to a clause, a party or a list shall be, respectively, the reference to a clause, a party or a list in these Regulations.

Headings of articles are used to simplify references and do not influence the interpretation

hereof.

If any term herein has ambiguous interpretation, then you should refer primarily to the definition provided in the Customer Agreement, and secondarily the one provided in other Company regulations.

1.1. ECN (Electronic Communication Network) means an electronic system for executing buy and sell deals of exchange commodities (Instruments), linking Liquidity Providers and individual traders, so that they could transact directly without any agents.

1.2. Liquidity Providers are various market participants, including banks, broker companies, hedge funds, pension funds and other financial institutions as well as the Company's Customers representing for the Company flow prices available for deal execution.

1.3. Company means a party to the Customer Agreement that provides services to the Customer.

1.4. Customer means a party to the Customer Agreement, an individual or a legal entity that uses the services provided by UBK Markets.

1.5. Customer Agreement means the Agreement concluded between the Company and the Customer, which on an equal basis with other regulations including all the documents placed on the Company website regulates all the terms and conditions stipulated between the Company and the Customer.

1.6. My Account means technological and interface solutions or other interface and software solutions provided by the Company that enable the Customer to exercise his/her rights and perform obligations under the Customer Agreement.

1.7. Payment Transaction means a transaction of crediting/debiting the Trading Account.

1.8. Trading Account means an account, which the Customer may open using the interface facilities of "My Account" to execute spot deals on the financial market via Trading and Analytical Platform.

1.9. Balance means the aggregate financial result (profit or loss) of all Completed Transactions and non-trading transactions in the Trading Account.

1.10. Equity shows the current state of an account. It is determined by the following formula: Balance + Floating Profit – Floating Losses.

1.11. Account Type means trading terms of the Trading Account. The list of possible Account Types offered by the Company is available on the Company website. The Account Type is selected while opening the Trading Account and cannot be changed.

1.12. Leverage means the proportion between the borrowed amount and the Transaction Volume.

1.13. Margin Trading means execution of Trading Transactions using Leverage when the Customer may carry out deals with the amounts that significantly exceed the size of his/her own funds.

1.14. Initial Margin means the amount of cash security required by the Company to Open Positions. It is specified for each Instrument in the Trading Conditions on the Company website.

1.15. Necessary Margin means the amount of cash security required by the Company to keep Open Positions. For each Instrument it is specified in the Trading Conditions.

1.16. Contract Specifications mean the document available on the Company website and specifying all parameters of the Instrument.

1.17. Trading Conditions mean major trading terms (Lot size, minimum Transaction Volume, step to change a Transaction Volume, Initial Margin, Margin for locked Positions, etc.) for each Instrument.

1.18. Trading and Analytical Platform means the aggregate of technological and software solutions that ensure obtaining information online about trading on financial markets and enable to carry out analytical and Trading Transactions.

1.19. Trading and Analytical Platform Time means UTC time zone in which all events are recorded in the Log.

1.20. UTC means Coordinated Universal Time, which is a global time standard based on the prime meridian of Greenwich.

- 1.21. Quotes Base** means information on the Quotes Flow.
- 1.22. Quote** means information on the Instrument's current Rate shown as Bid and Ask prices.
- 1.23. Ask** means the highest price in a Quote. The price, at which the Customer can buy an asset.
- 1.24. Bid** means the lowest price in a Quote. The price, at which the Customer can sell an asset.
- 1.25. Current Market Price** means a price at which the Customer can buy or sell the Base Currency for the Quote Currency.
- 1.26. Spread** means the difference between the best Bid and Ask prices for any Instrument at the same moment.
- 1.27. Gap** means any of the following situations:
- The Bid of the current Quote is higher than the Ask of the previous Quote;
 - The Ask of the current Quote is lower than the Bid of the previous Quote.
- 1.28. Opening Gap** means any of the following situations:
- The Bid of the opening Quote is higher than the Ask of the closing Quote;
 - The Ask of the opening Quote is lower than the Bid of the closing Quote.
- 1.29. Quotes Flow** means a sequence of Quotes for each Instrument received by the Trading and Analytical Platform on a real-time basis.
- 1.30. Streaming Quotes** mean the mechanism of providing the Customer with Quotes, which enables the Customer to see on a real-time basis the Company's Quotes Flow, with respect to which the Customer can send his/her Instruction for carrying out a Trading Transaction at any time.
- 1.31. Quoting** means a process of providing Quotes to the Customer for transaction execution.
- 1.32. Point (pip)** means a change in the last decimal sign of a Quote.
- 1.33. Rate** means the Base Currency unit price expressed in Quote currency.
- 1.34. Base Currency** means the first currency in the Currency Pair; the Customer can sell it or buy it for the other currency quoted in this pair.
- 1.35. Quote Currency** means the second currency in the Currency Pair, which the Customer can buy or sell for the Base Currency.
- 1.36. Currency Pair** means a subject of Trading Transaction based on the change in the cost of one currency against the other one.
- 1.37. Instrument** means a Currency Pair, index, metal quotes, and other financial instruments.
- 1.38. Bar/Candle** means a Chart element, which includes opening and closing prices, and also maximum and the minimum prices over a specific time period (e.g., 1 minute, 5 minutes, 1 day, 1 week, and other periods).
- 1.39. Chart** means a graphically displayed Quotes Flow. For the period, corresponding to a Bar/Candle:
- high of any Bar/Candle means the maximum Bid of the period;
 - low of any Bar/Candle means the minimum Bid of the period;
 - close price means the last Bid in the Bar/Candle of the period;
 - open price means the first Bid in the Bar/Candle of the period.
- 1.40. Lot** means an abstract designation of the volume of Base Currency accepted in the Trading and Analytical Platform.
- 1.41. Transaction Volume** means the number of Lots in a Trading Transaction.
- 1.42. Instruction** means an instruction made by the Company's Customer to open/close a Position, place, delete or change an Order Level.
- 1.43. Trading Transaction** means a Customer's purchase or sale of any financial instrument.
- 1.44. Counterparty** means an individual or legal entity, bank, financial organization or brokerage company which activity involves the provision of intermediary services to the Company and executing trades.

1.45. Position means appearance of certain financial obligations of the Customer on the Trading Account, subject to the result of processing the earlier issued Order of the Customer.

1.46. Long Position means a purchase of an Instrument with the expectation of the Rate growth. Regarding Currency Pairs: purchase of the Base Currency for the Quote currency.

1.47. Short Position means a sale of an Instrument with the expectation of the Rate fall. Regarding Currency Pairs: sale of the Base Currency for the Quote currency.

1.48. Open Position means the result of the first part of a Completed Transaction. As a result of opening a Position, the Customer shall:

- make an opposite transaction of the same volume;
- keep the Equity higher or equal to the Necessary Margin.

1.49. Closed Position means the result of the second part of a Completed Transaction.

1.50. Floating Profits/Losses means unrecorded profit/losses on Open Positions at current Rate.

1.51. Swap means the fee charged by the Company in its favor for the provided Leverage to carry out a Trading Transaction in the financial market within 24 trading hours (in Pips). If the Position has been closed before the end of the current 24 trading hours (up to 23:59:59, UTC time), the Swap is not charged. The Size of the Swap for each Instrument is specified in the Trading Conditions on the official Company website.

1.52. Free Margin means funds on the Trading Account, which can be used to open new Positions. It is determined by the formula: Equity minus Margin.

1.53. Margin Call means a notification of the Customer by means of the Trading and Analytical Platform of the insufficient total Necessary Margin on all Open Positions. The volume of the Margin Call is indicated in the Trading Conditions on the Company website.

1.54. Stop Out means a server-generated Instruction for a compulsory closure of Position (without the Customer's consent and his/her/its prior notice in case of insufficient funds to keep an Open Position).

1.55. Completed Transaction consists of two opposite Trading Transactions with the same volume (opening and closing of a Position): purchase with a further sale or sale with a further purchase.

1.56. Account History means a list of Completed Transactions and non-trading transactions in the Trading Account.

1.57. Log of the Trading and Analytical Platform means a special section in the Trading and Analytical Platform, which records all events with an accuracy of one second, including requests and Instructions sent by the Customer and results of their processing by the Server. The Log of the Trading and Analytical Platform is duplicated by the Company's Server.

1.58. Order means a Customer's Instruction to open or close a Position.

1.59. Order Level means the price indicated in the Order.

1.60. Deviation means the maximum allowable deviation in Pips from the price at which the request was sent to open a Position in the Trading and Analytical Platform.

1.61. Market Order means an Instruction to open or close a Position to buy or sell at the current available market price. The market order will be carried out until its complete execution. Available liquidity will be automatically grouped by the best execution prices, and the Order will be executed at the volume-weighted average price.

1.62. Pending Order means an Instruction of the Company's Customer to open a Position when the price reaches an Order Level.

1.63. Ticker means a unique identification number assigned to each opened Position or a Pending Order in the Trading and Analytical Platform.

1.64. Limit Order means an Instruction to buy or to sell an Instrument at a fixed price. The Instruction to buy a Limit Order can be executed only at a specified or lower price; the Instruction to sell a Limit Order can be executed only at a specified or higher price.

1.65. Stop Order means an Instruction to buy or sell an Instrument when its price reaches the specified rate. The Instruction to buy a Stop Order can be executed only at a price higher than the

market one; the Instruction to sell a Stop Order can be always executed only at a price lower than the Current Market Price.

1.66. Buy Limit has the meaning specified in Clause 5.1.

1.67. Buy Stop has the meaning specified in Clause 5.1.

1.68. Margin Level means a percentage ratio of the Equity in relation to the Necessary Margin. It is determined by the formula: $(\text{Equity} / \text{Necessary Margin}) \times 100\%$.

1.69. Sell Limit has the meaning specified in Clause 5.1.

1.70. Sell Stop has the meaning specified in Clause 5.1.

1.71. Stop Loss means an order used jointly with an already opened position to close a transaction at a Current Market Price, in case the level specified in the order is reached. Stop Loss can be used to limit losses or to protect part of the current profit.

1.72. Take Profit means an order used jointly with an already opened position to close a transaction at a Current Market Price, in case the level specified in the order is reached. Take Profit can be used to take the maximum profit or to minimize current losses.

1.73. Limit & Stop Levels mean the minimum distance in pips from the rate of the placed Order to the current price (rate of the Pending Order).

1.74. Market Opening means a resumption of trading after weekends or bank holidays.

1.75. Normal Market Conditions (Normal Market) mean condition of the market, which meets each of the following conditions:

- absence of considerable breaks in Quotes incoming to the Trading and Analytical Platform;
- absence of serious dynamics in the price fluctuation;
- absence of significant Gaps.

1.76. Fast Market means a market condition characterized by highly volatile exchange rates within a short time period. It is often accompanied with Gaps. Normally, it occurs just before and/or right after one or several following events:

- release of main macroeconomic indices of the global economy that have high effect on the financial markets;
- announcement of decisions on interest rates made by central banks or their committees;
- speeches and press conferences of central bank executives, countries, ministers of finance, and other important statements;
- currency interventions by governmental institutions;
- terroristic attacks of national importance;
- natural disasters entailing emergency situations (or similar limitations) on the affected territories;
- war or military operations;
- political force-majeure events: resignations and appointments (including those upon election results) of representatives of the executive authorities of countries;
- other events significantly affecting the dynamics of Instrument Rate.

1.77. Thin Market (Narrow Market) means a market condition when over a long period of time Quotes enter the Trading and Analytical Platform less often than at Normal Market Conditions. As a rule, this condition of the market is usually observed during Christmas holidays and national holidays.

1.78. Abnormal Market Conditions means Thin or Fast Market.

1.79. Manifest Error means opening/closing the Customer's Position or execution of his/her Order by the Company at a price considerably different from the one for the Instrument in the Quotes Flow at the time of the action, or any other action or omission of the Company, related to evidently faulty determination of the price on the market at a specific moment.

1.80. Force Majeure Circumstances mean events, which could not be either foreseen or prevented. Normally, they are:

- natural disasters;
- wars;
- terrorist attacks;
- actions by governmental, legislative and executive authorities;
- hack attacks and other illegal actions against the Company.

1.81. Emergency means a non-correspondence of the Company's conditions to the conditions of its counterparty, current situation, functionality of the Company software or hardware, and other situations, which cannot be foreseen.

2. GENERAL PRINCIPLES

2.1. The Streaming Quotes mechanism of Quoting is used for Trading Transactions.

2.2. Customer's requests and Orders submitted via the Trading and Analytical Platform are processed over the following stages:

- the Customer forms a request or an Order, which undergoes an accuracy check in the Trading and Analytical Platform;
- the Trading and Analytical Platform sends the request or the Order to the Server;
- in case there is stable connection between the Trading and Analytical Platform and the Server, the Customer's request or Order comes to the Server and undergoes the correctness check;
- the Customer's correct request or Order is executed, i.e. transferred to the Liquidity provider under the ECN standard;
- the result of the Company's processing of the Customer's request or Order comes to the Server;
- the Server sends the result of the Company's processing of the Customer's request or Order to the Trading and Analytical Platform;
- in case there is a stable connection between the Trading and Analytical Platform and the Server, the Trading and Analytical Platform receives the result of the Company's processing of the Customer's request or Order, i.e. the "Order confirmation" window of the Trading and Analytical Platform displays the processing result and makes a respective record in the Log.

2.3. The Customer is not entitled to cancel the previously sent request or Order provided that this request or Order have already been confirmed in the "Order confirmation" window of the Trading and Analytical Platform.

2.4. All the Quotes, which the Customer receives via the Trading and Analytical Platform, are indicative and represent the best available Bid price and the best available Ask price obtained from Liquidity Providers.

2.5. All the issues related to determination of the current price rates on the market are in the sole competence of the Company.

2.6. Each Customer's request or Order has a limited standby period before the execution or cancelation. Once the request or Order comes to the Company Server, the Server processes it as soon as possible.

2.7. In the cases, listed below, the Company is entitled to reject the Customer's request or Order:

- at the market opening if the Customer makes a request or sends an Order before the first Quote appears in the Trading and Analytical Platform;
- at a Position opening if the difference between the market price and the request price for opening exceeds the Deviation size. At that we do not guarantee the exact compliance with the Deviation parameter;
- at Abnormal Market Conditions;

- when the Customer does not have sufficient Free Margin to open a Position in the requested volume;
 - when the existing volume limits on the aggregate Position of the Customer and/or the total number of the placed Orders for this Account Type have been exceeded. The cases mentioned above are recorded in the Log.
- 2.8.** A Trading Transaction for purchase is carried out at the Ask price. A Trading Transaction for sale is carried out at the Bid price.
- A Long Position is opened at the Ask price. A Short Position is opened at the Bid price.
 - A Long Position is closed (i.e. sale) at the Bid price. A Short Position is closed (i.e. purchase) at the Ask price.
- 2.9.** The Swap is calculated for each Position which remains open when being carried over the next 24 trading hours from 23:59:59 to 00:00:01, UTC time. If the Position has been closed before the end of the current 24 trading hours (up to 23:59:59, UTC time), the Swap is not charged.
- 2.10.** Spread may vary depending on the current market conditions.
- 2.11.** The value of the Leverage is indicated for each specific type of the Trading Account in the “Trading Conditions” section on the Company website.
- 2.12.** The Leverage may change.
- 2.13.** The Company is entitled to change the Leverage to individual Customers at any time and at its sole discretion.
- 2.14.** The Company is not obliged but is entitled, at its sole discretion, to process a request or an Instruction from the Customer received when a trade on the financial instrument is stopped.
- 2.15.** The Quotes published on the Company website are indicative.
- 2.16.** In case of an unscheduled break in the Server Quotes Flow caused by any hardware or software failure the Company is entitled to synchronise Quotes Base on the Server, which services Customers with real Trading Accounts, with other sources.
- 2.17.** Provided any disputable situations as to failures in the Quotes Flows, all decisions are made in accordance with the synchronised Quotes Base.
- 2.18.** Provided all applicable rules and provisions are followed, the Company is not obliged to disclose or provide the Customer with any reports on revenues, fees and other remunerations received by the Company under the Customer’s Trading Transaction, except for cases stipulated in these Terms and Conditions or in a respective regulatory document.
- 2.19.** The Customer shall contribute and maintain the Initial Margin at the rate established by the Company. The amount of the Initial Margin is indicated on the Company website in the “Trading Conditions” section. The Company is not liable for the Stop Out on an account because of untimely replenishment of funds on the Customer’s account.
- 2.20.** The Customer shall pay the Initial Margin at the time of opening a Position.
- 2.21.** The rate of the Required Initial Margin may vary in case of:
- Abnormal Market Conditions;
 - Emergency;
 - Force-Majeure Circumstances.
- 2.22.** The Customer shall independently manage the rate of the Necessary Margin on his/her Trading Account.
- 2.23.** The Company is entitled to apply Clause 2.22 both to already opened Positions and to newly opened ones.

3. POSITION OPENING

3.1. In the submitted Market Order to open a Position, the Customer shall specify the following mandatory parameters:

- Instrument name;
- Type of trading order;
- Transaction Volume.

3.2. When opening a Position you can optionally specify a “Deviation” parameter. When a “Deviation” parameter is set and if during a Position opening the difference between the market price and the request price exceeds the set price of Deviation, the Position will not be opened or will be opened to a lesser extent, but at a price within the Deviation.

3.3. When the Customer’s Instruction to open a Position reaches the Server, this event automatically activates the check of the Trading Account status for the available Free Margin for the above Position to be opened:

- the list of Open Positions is conditionally completed with a new Position;
- a new rate of the Necessary Margin (New Margin) is determined for the Customer’s aggregate Position, including a conditionally added new Position at the Current Market Prices at the time of check;
- Floating Profits/Losses on all Open Positions, including a conditionally added new Position, are estimated at the Current Market Prices;
- A new rate of the Free Margin is estimated;
- if the Free Margin is higher or equal to zero and the Customer’s total Position considering the conditionally added new Position does not exceed the established limit for this Account Type, the Position will be opened;
- if the Free Margin is higher or equal to zero and the Customer’s total Position considering the conditionally added new Position exceeds the established limit for this Account Type, the Position will not be opened;
- if the Free Margin is below zero, the Company is entitled not to open the position.

3.4. The Customer’s Instruction to open a Position for buying or selling at the current available market price will be valid until its execution. The available liquidity will be automatically grouped by the best execution prices, and the Order will be executed at the volume-weighted average price.

3.5. The Customer’s Instruction to open a Position shall be deemed processed, and the Position will be deemed open after a respective record appears in the Log.

3.6. A Ticker is assigned to each Open Position in the Trading and Analytical Platform.

3.7. An Instruction to open a Position is rejected by the Company provided it has been received for processing before the first Quote on the Instrument appears in the Trading and Analytical Platform at the market opening.

4. POSITION CLOSING

4.1. In the submitted Order to close a Position, the Customer shall specify the following mandatory parameters:

- the Ticker of the Position to be closed;
- Transaction Volume.

4.2. To close a Position via Trading and Analytical Platform, the Customer needs to click the “Close” button at the time when the flow prices of the Company are acceptable for the Customer.

4.3. To close a Position via the Trading and Analytical Platform, an Instruction to close the Position must be submitted at the rate of the current Quote.

4.4. The Customer's Instruction to close a Position for buying or selling at the current available market price will be valid until its execution. Available liquidity will be automatically grouped by the best execution prices, and the Order will be executed at the volume-weighted average price.

4.5. The Customer's Instruction to close a Position shall be deemed processed and the Position shall be deemed closed after a respective record appears in the Log.

4.6. An Instruction to close a Position shall be rejected by the Company Server provided it has been received for processing before the first Quote on the Instrument appears in the Trading and Analytical Platform at the market opening.

4.7. An Instruction to close a Position shall be rejected by the Company Server provided it has been supplied for processing at the time when the Order for the Position to be closed (Stop Loss or Take Profit) is in the execution queue.

5. ORDERS

5.1. It is possible to place the following types of Orders to open a Position in the Trading and Analytical Platform:

- Buy Stop assumes an opening of a Long Position at the price higher than the price at the time of an Order placement;
- Sell Stop assumes an opening of a Short Position at the price lower than the price at the time of an Order placement;
- Buy Limit assumes an opening of a Long Position at the price lower than the price at the time of an Order placement;
- Sell Limit assumes an opening of a Short Position at the price higher than the price at the time of an Order placement.

5.2. To close a Position, the following Orders may be used:

- Stop Loss assumes a closure of the previously opened Position at the price less profitable for the Customer than the price at the time of an Order placement;
- Take Profit assumes a closure of the previously opened Position at the price more profitable for the Customer than the price at the time of an Order placement;

5.3. Orders may be placed, modified or deleted by the Customer only within the period when the trading with this Instrument is allowed.

5.4. When giving an Instruction to place Pending Orders, the Customer shall specify the following parameters:

- the Instrument;
- the volume;
- the type of the Order (Buy Stop, Buy Limit, Sell Stop, Sell Limit);
- the Order Level.

5.5. In the Order, the Customer may specify the following non-mandatory parameters:

- a Stop Loss level of the Pending Order. The "0" value means that the Stop Loss is not set (or is deleted if it has been set earlier);
- a Take Profit level of the Pending Order. The "0" value means that the Take Profit is not set (or is deleted if it has been set earlier).
- a Deviatin size of the Pending Order.

5.6. The Instruction to place an Order will be rejected:

- in case of unavailability or incorrect value of one or more mandatory parameters;
- in case of incorrect value of one or more non-mandatory parameters;

- when a “Deviation” parameter is set and if during an Order execution the difference between the market price and the Order Level exceeds the set price of Deviation, the Order will be canceled or opened to a lesser extent, but at a price within the Deviation.

- in case the Customer uses the Account Type, which has the limited total number of placed Orders, and this Instruction exceeds the above limitations. At that in case of placing a Pending Order via the Trading and Analytical Platform, an error message will be generated: “Trading forbidden”.

5.7. When giving an Instruction to place Stop Loss and Take Profit Orders for an Open Position, the Customer must specify the following parameters:

- the Ticker of Open Position, for which Orders are made;
- the Stop Loss Order level. The “0” value means that Stop Loss is not set (or is deleted if it has been set earlier);
- the Take Profit Order level. The “0” value means that the Take Profit is not set (or is deleted if it has been set earlier).

5.8. In case of incorrect value of one or more parameters when placing a Pending Order via the Trading and Analytical Platform the Order will be rejected and the “Modify” button will remain inactive.

5.9. When giving an Instruction to place a Stop Loss and/or Take Profit Order for an Open Position or a Pending Order the distance in pips between the level of set Order and the Current Market Price must not be less than the Limit & Stop Levels parameter, and the following conditions must be met:

- for a Stop Loss Order for a Short Position: the Ask price is considered to be the Current Market Price, and the Order shall not contain the rate lower than the Ask price plus the Limit & Stop Levels value for this Instrument;
- for a Take Profit Order for a Short Position: the Ask price is considered to be the Current Market Price, and the Order shall not contain the rate higher than the Ask price minus the Limit & Stop Levels value for this Instrument;
- for a Stop Loss Order for a Long Position: the Bid price is considered to be the Current Market Price, and the Order shall not contain the rate higher than the Bid price minus the Limit & Stop Levels value for this Instrument;
- for a Take Profit Order for a Long Position: the Bid price is considered to be the Current Market Price, and the Order shall not contain the rate lower than the Bid price plus the Limit & Stop Levels value for this Instrument;
- for a Buy Limit Order: the Ask price is considered to be the Current Market Price, and the Order shall not contain the rate higher than the Ask price minus the Limit & Stop Levels value for this Instrument;
- for a Buy Stop Order: the Ask price is considered to be the Current Market Price, and the Order shall not contain the rate lower than the Ask price plus the Limit & Stop Levels value for this Instrument;
- for a Sell Limit Order: the Bid price is considered to be the Current Market Price, and the Order shall not contain the rate lower than the Bid price plus the Limit & Stop Levels value for this Instrument;
- for a Sell Stop Order: the Bid price is considered to be the Current Market Price, and the Order shall not contain the rate higher than the Bid price minus the Limit & Stop Levels value for this Instrument.

5.10. The Instruction to place an Order is considered executed, and the Order is considered placed once the respective record is made in the Log.

5.11. A Ticker is assigned to each Pending Order.

5.12. An Instruction to place an Order will be rejected by the Company Server if it is received for processing before the first Quote appears in the Trading and Analytical Platform at the time of the market opening.

5.13. The Company is entitled to reject an Instruction to place an Order provided that the current Quote reaches the rate violating at least one of the conditions of Clause 5.9 during the Instruction processing.

5.14. Modification and deletion of Orders: whenever the Customer gives an Instruction to modify parameters of Pending Orders (level of the Pending Order), the following parameters must be specified:

- the Ticker;
- the level of the Pending Order;
- the level of the Stop Loss Order. The “0” value means that Stop Loss is not set (or is deleted if it has been set earlier);
- the level of the Take Profit Order. The “0” value means that Take Profit is not set (or is deleted if it has been set earlier).

5.15. Whenever the Customer gives an Instruction to modify Stop Loss and Take Profit Orders for an Open Position, the following parameters must be specified by the Customer:

- the Ticker;
- the level of the Stop Loss Order. The “0” value means that Stop Loss is not set (or is deleted if it has been set earlier);
- the level of the Take Profit Order. The “0” value means that Take Profit is not set (or is deleted if it has been set earlier).

5.16. Whenever an incorrect value of one or more parameters is provided at placing/modifying/deleting Orders via the Trading and Analytical Platform, the Instruction will be rejected and the “Modify” button will remain inactive.

5.17. When giving an Instruction to delete a Pending Order, the Customer shall specify the Ticker of the Order to be deleted.

5.18. The Instruction to modify or delete an Order is considered executed, and the Order is considered modified or deleted once the respective record appears in the Log.

5.19. The Instruction to modify or delete an Order will be rejected by the Company Server if it is received for processing before the appearance of the first Quote for this Instrument in the Trading and Analytical Platform at the time of the market opening.

5.20. The Company is entitled to reject an Instruction to modify or delete an Order if during the Instruction processing this Order was transferred to the execution queue.

5.21. In case, the Instruction processing to modify or delete an Order is completed after the Order was transferred to the execution queue, the Company is entitled to cancel modification or deletion of the Order.

5.22. The Order is transferred to the execution queue in the following cases:

- the Take Profit Order on an Open Long Position is placed to the execution queue if the Bid price in the Quotes Flow becomes equal or higher than the Order Level;
- the Stop Loss Order on an Open Long Position is placed to the execution queue if the Bid price in the Quotes Flow becomes equal or lower than the Order Level;
- the Take Profit Order on an Open Short Position is placed to the execution queue if the Ask price in the Quotes Flow becomes equal or lower than the Order Level;
- the Stop Loss Order on an Open Short Position is placed to the execution queue if the Ask price in the Quotes Flow becomes equal or higher than the Order Level;
- the Buy Limit Order is placed to the execution queue if the Ask price in the Quotes Flow becomes equal or lower than the Order Level;
- the Sell Limit Order is placed to the execution queue if the Bid price in the Quotes Flow becomes equal or higher than the Order Level;
- the Buy Stop Order is placed to the execution queue if the Ask price in the Quotes Flow becomes equal or higher than the Order Level;

- the Sell Stop Order is placed to the execution queue if the Bid price in the Quotes Flow becomes equal or lower than the Order Level.
- 5.23.** During the execution of a Pending Order, the Server automatically checks the status of the Trading Account for the availability of the Free Margin for the Position to be opened:
- The list of Open Positions is complemented with a new Position opened under the above Pending Order;
 - A new rate of the Necessary Margin (New Margin) is determined for the Customer's aggregate Position, including the conditionally added new Position at the Current Market Prices at the time of check;
 - Floating Profits/Losses are calculated at the Current Market Prices for all Open Positions, including the conditionally added new Position;
 - The new rate of Free Margin is estimated;
 - if the Free Margin is higher or equal to zero and the Customer's total Position including the conditionally added new Position does not exceed the limit established for this Account Type, the Order is executed and the Position is opened. The Order execution is accompanied with a respective record in the Log. At that, the Position opened through the execution of the Pending Order keeps the Ticker of the Pending Order;
 - if the Free Margin is higher or equal to zero and the Customer's total Position including the conditionally added new Position exceeds the limit established for this Account Type, the Order is cancelled. The Order cancelation is accompanied with a respective record in the Log;
 - if the Free Margin is below zero, the Company is entitled not to open the Position and to delete the Pending Order.
- 5.24.** The Order is considered executed once a respective record appears in the Log.
- 5.25.** All Pending Orders are executed by the Company at the posted price or at the price available at the time of the Order execution. At that, the execution price may differ from the Order Level.
- 5.26.** If the Pending Order rate falls within the Gap at the time of market opening or in the Quotes Flow, the Order is executed by the Company at the stated price or at the price available at the time of the Order execution. The execution price may differ from the Order Level.

6. FORCED POSITION CLOSURE – STOP OUT

- 6.1.** The Stop Out level is specified in the "Trading Conditions" section on the Company website.
- 6.2.** The Company is entitled to force and close Customer's Open Positions without consent and any prior notice, in case the Equity goes below the Stop Out level.
- 6.3.** The margin rate is controlled by the Server, which, in case Equity goes below the Stop Out level, generates an Instruction for forced closing of the Position (Stop Out). Stop Out is executed at the market Quote on a first-served basis along with other Customers' Instructions. The Customer agrees that the price of execution may differ from the Quote, at which the Instruction for the Stop Out has been generated.
- 6.4.** Forced Position closure is accompanied with a respective record in the Log, including comments.
- 6.5.** In case, the Customer has several Open Positions, the first Position to be closed forcefully is the Position with the highest Floating Losses.
- 6.6.** The Company shall not guarantee that the forced closure of the last Position under the terms of this Section will not lead to a negative balance of the Trading Account.

6.7. The Company is entitled to force and close any Open Positions of the Customer without consent and any prior notice.

Negative Balance Protection

The Company will not be liable for any margin call or losses that the Customer may suffer, including but not limited to losses due to Stop-out Level, if the trading benefit is withdrawn for any reason pursuant to the applicable “Customer Agreement - Terms and Conditions of Business”. The Company ensures that losses will never exceed the total available funds across the Customers’ Traders Trust trading portfolio (negative balance protection).

In addition, the Customer accepts that the Company reserves the right to immediately terminate the Customer’s access to the trading platform(s) and recover any losses caused by the Customer, in the event that the Firm determines, at its sole discretion, that the Customer voluntarily and/or involuntarily abuses the ‘Negative Balance Protection’ offered by the Company, by way of, but not limited to, hedging his/her exposure using his/her trading accounts, whether under the same profile or in connection with another Customer(s); and/or requesting a withdrawal of funds, notwithstanding any of the provisions of this Agreement, during a specific timeframe, in accordance with Termination clauses of this Agreement.

GOVERNING LAW AND JURISDICTION

The Service Agreement is governed by the laws of the Republic of Cyprus.

The Customer agrees not to claim that such proceedings have been brought in an inconvenient forum or that such court does not have jurisdiction over the Customer.

Any proceedings and their settlement involving the Customer and the Company will take place in the competent courts of the Republic of Cyprus.

Notwithstanding any other provision in this Agreement, in providing Services to the Customer the Company shall be entitled to take any action it considers necessary, in its absolute discretion, to ensure compliance with the relevant market rules and or practices and all other applicable laws.

All transactions on behalf of the Customer shall be subject to the applicable regulations and any other public authorities which govern the operation of the Cyprus Investment Firms, as they are amended or modified from time to time.

The Company shall be entitled to take (or omit to take) any measures which it considers desirable in view of compliance with the Applicable Regulations in force at the time. Any such measures that may be taken and the Applicable Regulations in force shall be binding on the Customer.