

COPY TRADING

REGULATIONS OF COPY TRADING SERVICE

Liteforex (Europe) LTD (ex. Mayzus Investment Company LTD), hereinafter referred to as the “**Company**”, provides a service package, hereinafter referred to as “**Copy Trading Service**”, in the manner and on terms set out in these **Regulations**.

The Client accepts fully and unconditionally the terms of these Regulations once he/she has registered a client profile and opened accounts specifically designed for the Copy Trading Service.

1. TERMS AND DEFINITIONS

1.1. The terms used for the purpose of these Regulations have the following meaning:

Master – is a Company’s client who has registered his/her current trading account in the Copy Trading Service or opened a new account for other clients to be able to copy the trades conducted in the Master’s account onto their Slave’s accounts.

Slave – is a Company’s client who has registered his/her current trading account in the Copy Trading Service or opened a new account in order to Copy transactions from the Slave’s account.

Profit sharing – is a part (%) of Master’s profit made in the Slave’s account over a certain trading period whose amount is determined by the Master upon his/her registration in the Copy Trading Service and which is to be transferred to the Master’s account as a Commission for copying of the transactions.

Commission – is a profit share expressed in monetary terms and transferred from the Master’s account to the Slave’s account during Rollover.

Monitoring – is a specialized page on the official website of the Company with a summary list of the registered Master’s accounts; reference to this list is available in the public domain and in the section Copy Trading Service Cabinet.

Master’s account liquidation – is a termination of use of Copy Trading Service as a Master’s account.

Rollover – is a distribution of profit derived from copying of the transactions from the Master’s account

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to the Slave's account between the holders of the Slave's and Master's accounts.

Copying transactions – is a simultaneous (synchronized) opening/closing of trading operations on the Slave's account that are identical to the operations on the Master's account (with the same parameters or different depending on the settings of the copying process).

Master's account – is an account registered in the Copy Trading Service in order to provide access to copying of the transactions from this account.

Slave's account – is an account registered in the Copy Trading Service in order to get access to copying into it the transactions from the Master's account.

Debt – is a partially or fully outstanding commitment of the Slave to pay a profit share to the Master.

Copying settings– are settings of the Slave's account specifying the procedure of copying of the transactions.

Type of copying – are settings of copying, which specifies a method of counting the volume of the copied transactions.

Ratio of volume – is a ratio between copied transactions on the Slave's account and identical transactions on the Master's account.

Equity Stop Copying – are settings of copying when, upon reaching a specified amount of funds on the Slave's account, the process of transaction copying will stop.

Funds of the Slave's account – are settings used for the type of copying "Funds allocation".

Attachment – is a registration of the trading account as a Slave's account.

Detachment – is a disconnection of the Copy Trading Service from the trading account registered as a Slave's account.

Master pause – is a suspension of copying of the transactions from the Master's account activated by the holder of this account.

Slave pause – is a suspension of copying of the transactions on the Slave's account activated by the holder of this account.

Minimum balance of the Master's account – is a minimum deposit on the trading account, which allows to register this account as a Master's account.

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Minimum balance of the Slave's account - minimum deposit on the trading account, which allows to register this account as a Slave's account.

Trading interval – is a period of time between Rollovers.

Debt repayment – is a depositing of the Slave's account (or the account which used to be a Slave's account at the time of the debt) to provide repayment of the outstanding amount.

Debt table – is a list of clients' accounts with registered Debts owed to Master's account.

If these Regulations contains terms, which are not defined in the list above, the definitions specified in the Standards of Company's operations will be applicable in the manner described in paragraphs 12.1 and 12.2 of these Regulations.

2. GENERAL PROVISIONS

2.1. These Regulations shall enter into force after the registration of the trading account as a Slave's or a Master's account by a client.

2.2. These Regulations are valid as long as a client has at least one trading account registered as a Slave's or a Master's account, or a Debt.

2.3. Within the framework of the provided Service, Company's responsibility is limited to the proper operation of the Company's technical part and does not cover the outcome resulting from the operations performed by the holder of the Master's account.

2.4. If, for some reason, a client cannot use the Service through the website of the Company, due to faulty operation of the Company, a client is entitled to use any means of communication in keep in touch with the Company in order to give instructions for some particular actions (disconnection from the Master's account, account liquidation, rollover, etc.) In the event a Client does not take such actions, the Company is not liable for his/her losses.

3. DESCRIPTION OF COPY TRADING SERVICE

3.1. This service represents a software package providing technical execution and automated copying of the transactions between the Company's accounts.

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3.2. Service provides automation of the following processes:

- Registration of the trading account as a Master's account;
- Attachment of the trading account as a Slave's account;
- Copying of the transactions from the Master's account to the Slave's account in accordance with the settings of copying;
- Execution of rollovers and paying off commission to the Master;
- Information update about the state of the client's Master's account with the display of such information in Monitoring;
- Update of information on Debt

3.3. The holder of the Master's account carries out trading operations on his own Master's account. The trading operations are subject to the provisions of the "Terms of trading" and "Best Pricing Policy", which are an integral part of the Service contract for the Master's account.

3.4. Transactions, carried out on the Master's account, are copied on the attached Slave's accounts. Copying of the transactions means opening/closing of the trading operations simultaneously on the Slave's and Master's accounts, while parameters of the transactions will depend on the settings of copying.

3.5. Acceptance of provisions of these Regulations does not imply the contractual relationship between the holders of the Slave's and Master's accounts, and, consequently, the holders of these accounts do not enter into any agreement with each other.

3.6. The holder of the Master's account can use any trading strategy, he/she trades using his/her own funds; however, he/she does not provide trust management, nor gives counseling to a holder of the attached Slave's account.

3.7. The holder of the Slave's account is entitled to customize settings of copying and thus, change the ratio between the volume of the transaction on the Master's account and the volume of the transaction on the Slave's account, which gives a choice to the holder of the Slave's account either to accept the same risk, which bears the Master's account, or reduce it.

3.8. The holder of the Slave's account has the right to close or modify the transactions copied from the Master's account.

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4. MASTER'S ACCOUNTS RIGHTS AND RESPONSIBILITIES

- 4.1. A client has the right to register any of his/her trading accounts as a Master's account.
- 4.2. The holder of the Master's account is entitled to establish the level of percentage profit from 0 % to 100%.
- 4.3. Percentage profit for each Slave's account is established at the time of attachment of this Slave's account to the Master's account.
- 4.4. The holder of the Master's account can change the level of profit share percentage at any time. The new amount will not apply to the Slave's account that has been already attached.
- 4.5. Upon registering his/her Master's account, a client understands and agrees that the transactions from the Master's account will be copied to all attached accounts.
- 4.6. The holder of the Master's account can at any time activate a Rollover.
- 4.7. The balance of the account, which has been registered as a Master's account shall not be less than the amount defined as the minimum balance of the Master's account.
- 4.8. The minimum balance of the Master's account is indicated on the website in the relevant section of the Service.

5. SLAVES'S ACCOUNTS RIGHTS AND RESPONSIBILITIES

- 5.1. A client has the right to register any of his/her trading accounts as a Slave's account.
- 5.2. For registering a Slave's account a client shall do as follows:
 - Indicate a Master's account from which transactions will be copied;
 - Select one of the available types of copying;
 - Specify Settings of copying, appropriate for the selected type of copying.
- 5.3. As soon as the registration procedures are fulfilled, a Slave's account is considered to be attached to the Master's account, selected for copying of the transactions until the time of detachment.

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5.4. A client has the right to change the settings of his/her Slave's account at any time. However, settings of the option "Type of copying" can be changed provided that the account does not have any open copied transactions.

5.5. A client cannot attach his/her own Slave's account to his/her own Master's account.

5.6. The balance of the account, which has been registered as a Slave's account shall not be less than the amount defined as the minimum balance of the Slave's account.

5.7. The minimum balance of the Slave's account is indicated on the website in the relevant section of the Service.

6. COPYING OF TRANSACTIONS

6.1. All trading operations carried out on the Master's account are duplicated on the attached Slave's account with the exception of the following:

- Volume of the transaction to be copied to the Slave's account is lower than the minimum volume of the transaction specified by the Company and described in paragraph 5.3 of this Agreement;
- Deposit on the Slave's account is insufficient for opening a new position;
- An option "Slave's Pause" is installed on the Slave's account;
- An option "Master's Pause" is installed on the Master's account, to which a Slave's account is attached;
- Service is disconnected from the Slave's or Master's account because of the debts or for some other reasons.
- The amount of funds on the Slave's account is equal to or less than the sum set by "Equity Stop Copying";

6.2. The transactions copied on the Slave's account are executed at the current market price; and consequently, this price may differ from the price of the same transactions on the Master's account.

6.3. If volume of the transaction copied on the Slave's account is higher than the maximum amount of the transaction specified by the Company and calculated as described in the paragraph 7.2 of this Agreement, the volume of the copied transaction shall be equal to the specified maximum amount.

6.4. When calculating the volume of the transactions, copied to the Slave's account, the value is rounded within the accuracy of the step of the increase of the transaction volume specified for a

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particular type of the account.

7. SETTINGS AND TYPES OF COPYING

7.1. All settings on the Slave's account including the Copy setting are installed by the holder of the account. The holder of the Master's account is not able to control or influence on the selection of the copying type or the process of copying.

7.2. There are 4 types of copying of the transactions; all of them have different settings of copying, such as:

7.2.1. Full Size. This type of copying is used if the volume of the transaction copied on the Slave's account is equal to the volume of the same transaction on the Master's account.

Settings parameters of the Full Size: none.

7.2.2. Fixed Size. This type of copying is used if the volume of the transaction copied on the Slave's account equals to the volume specified in the Volume parameters

Settings of the Fixed Size copying:

- Volume – settings of the option Fixed size copying determines the volume of the transactions copied on the Slave's account.

7.2.3. Part of Master's Volume. This type of copying is used if the volume of the copied transaction on the Slave's account equals to the volume of the identical transaction on the Master's account multiplied by the volume factor, and calculated by the formula:

*Volume of the transaction on the Slave's account = Volume of the transaction on the Master's account * Volume Factor / 100*

Settings of the Full Size copying:

- Volume Factor – is a percentage ratio of the transaction volume on the Slave's account to the volume of the identical transaction on the Master's account. Volume ratio may vary from 1% to 100% in 1% increments.

7.2.4. Allocation of funds [Allocate Equity]. For this type of copying, a volume of the transaction on the Slave's account is calculated by the formula:

Transaction Volume on the Slave's account = Transaction volume on the Master's account Funds on the*

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Slave's account / funds on the Master's account, where:

- Funds of the Slave's account are determined by the copying parameters;
- Funds of the Master's account – the amount of funds on the Master's account at the time of copying of the transaction.

Funds Allocation Parameters:

- Allocation of funds option determines what part of the funds on the Slave's account will be used :
- Part of the volume – part of the funds on the Slave's account as specified by the holder;
- All funds, which are available at the time of copying of the transactions on the Slave's account.
- The funds of the Slave's account are specified if an option “Funds Allocation” is set as “Part of volume”.

7.3. In order to mitigate potential risk of loss on the Slave's account, the holder of the account can install the option Equity Stop Copying. If the amount of the funds on the Slave's account becomes equal or less than the amount indicated in Equity Stop Copying, copying of the transactions stops.

7.4. Comparison and inspection of the funds on the Slave's account and Equity Stop Copying is carried out every three minutes.

8. ROLLOVERS AND TRADING INTERVALS

8.1. Each trading interval on the Slave's account ends up with a Rollover.

8.2. A Rollover on the Slave's account takes place in case of the consolidated profit for the copied transactions on the Slave's account. The profit is calculated only for the transactions, which have been closed after the previous Rollover.

8.3. In the course of a Rollover the sum of the commission is withdrawn from the Slave's account and is deposited on the Master's account.

8.4. The amount of the Commission is calculated by the formula:

*Commission = consolidated profit of the copied transactions per Trading Interval * Profit percentage / 100*

8.5. All settlements between the holders of the Master's and Slave's accounts at the time of a Rollover

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are made with the help of the software created by the Company. The Company guarantees the correctness of all the calculations. In case of a failure of a Rollover due to technical problems, a Rollover will take place immediately after the problem is eliminated and the Service is fully restored.

8.6. If a Rollover is activated by the holder of the Master's account, a request is placed for settlements with all Slave's accounts attached to this Master's account.

8.7. A request for a Rollover is made automatically for a particular Slave's account in the following cases:

- Detachment of the account;
- Withdrawal of the funds from the account;
- Change in copying settings for the account.

8.8. In case there is not enough collateral free funds for debiting a Commission for a Rollover:

- If some collateral free funds are available on the account, the amount is debited partially.
- A debt is formed.

9. DETACHMENT FROM THE MASTER ACCOUNT OR LIQUIDATION OF THE MASTER ACCOUNT

9.1. Detachment of the Slave's account from the Master's account is done as follows:

- First, a request for a Rollover is placed;
- Then, the Service is disconnected from the account.

9.2. The holder of the Slave's account can disconnect his/her account from the Master's account at any time, provided that the account does not have any open copied transactions.

9.3. The Master's account is liquidated as follows:

- First, a request for a Rollover is placed; settlements between all Slave's accounts and Master's account are finalized;
- After that Slave's accounts are disconnected from the Master's account.

9.4. The holder of the Master's account can liquidate his/her account at any time, provided that the

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account does not have any open transactions.

9.5. The Company has the right to liquidate the Master's account upon notice to the clients at any time without giving a reason, in the following cases:

- Total yield of the Master's account is below -95% (minus 95%) at the time of liquidation;
- Lack of activity on the account for a long time;
- Detection/suspicion of fraud.

10. WITHDRAWALS FROM THE SLAVE'S ACCOUNTS AND ARREARS OF COMMISSION PAYMENTS

10.1. The funds equal to the amount of the current commission cannot be withdrawn from the Slave's account.

10.2. In case of debt on one of the Client's accounts:

- The service shall be deactivated for all Clients' accounts until all debts are paid. This measure is not applied for the opened copied transactions on the account. The service for such accounts will remain available;
- Withdrawals from the clients' accounts are banned until full repayment of the debts.

10.3. A client, who has a debt on his/her account, can repay this debt in whole or in part by placing a deposit on the account, including an internal transfer.

10.4. In case of a debt on one of the Clients' accounts, the Client's profile will display a Table of Debts, which can be used to repay debts in the stated order. The debt indicated as the second in list cannot be paid prior to the payment of the debt indicated as the first in the list.

11. RISKS AND OBLIGATIONS OF THE PARTIES

11.1. The holder of the Slave's account acknowledges the fact that employment of the services bears risks, therefore, he/she fully accepts possible risks associated with the copying of the transactions from

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the Master's account.

11.2. The holder of the Slave's account takes responsibility for providing sufficient funds on his/her account in order to:

- Execute orders and maintain positions regardless of the fact whether they were copied, or opened manually or by trading adviser;
- Pay commission.

11.3. The holder of the Slave's account assumes the risk arising from the fact that total margin requirements on the Slave's accounts and the Master's accounts may vary.

11.4. The holder of the Slave's account assumes the risk of possible losses or lost profit resulting from the rounding of the amounts upon the setting of the option "copy trading".

11.5. The holder of the Slave's account acknowledges the fact that activation of the option "Stop copying" when the amount of the account reaches the level set in Equity Stop Copying, can take place later and at a smaller amount in accordance with the paragraph 7.4.

11.6. The holder of the Master's account and the holder of the Slave's account accept the risks arising from the fact that the price of order execution on the Slave's account can be different from the price of order execution on the Master's account in accordance with paragraph 6.2. The Company does not compensate for the possible difference in profit/loss and possible difference in the amount of Commission for such transactions.

11.7. The holder of the Master's account assumes the risk of insufficient payment of the Commission for transactions, which have not been copied for the reasons described in Section 6.1.

11.8. The holder of the Master's account acknowledges the fact that the holder of the Slave's account can at his/her own discretion close and/or modify transactions, which have been copied from the Master's account. The Company does not bear responsibility, nor pay compensation for the possible difference in Trader's commission for such transactions.

11.9. The holder of the Master's accounts assumes risk of non- receiving in full or in part amount of the Commission, due to the lack of sufficient funds on the Slave's account at the time of a Rollover. The Company does not bear responsibility, nor pay compensation for the difference in the Commission if the required amount has not been fully withdrawn from the Slave's account.

11.10. In no circumstances the Company appraises competency of the holders of the Master's accounts,

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or their business and ethical qualities. The Company is not liable to the holders of the Slave's accounts for the losses or lost profits arising for these reasons.

11.11. Company is not responsible for the risk of deliberate or inadvertent failure of the holder of Master's accounts to safeguard interests of the holder of Slave's accounts. In this case all the risks are borne by the holders of the Slave's accounts.

12. MISCELLANEOUS

12.1. In the event one or more provisions of these Regulations become invalid for some reason, or lose legal effect, such invalidity shall not affect other provisions of these Regulations, which remain effective.

12.2. In case of ambiguous interpretation of the terms of these Regulations, first priority shall have definitions given in the Clients agreement; definitions given in other Regulations shall have the second priority.

12.3. The Company reserves the right to amend the provisions of these Regulations at any time by giving a 14 days' written notice to a Client. Amendments shall enter into force and become binding on the Client from the date indicated in the written notice.

12.4. Notification to the clients for the purpose of these Regulations is made as follows:

- a) announcement in the "news" section of the Company's website;
- b) e-mail distribution.