



TERMS AND CONDITIONS OF ROBOADVISING PLATFORM

 **RoboMarkets**

ROBOMARKETS LTD
169-171 Arch. Makarios III Ave., floor 8,
3027, Limassol, Cyprus



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Please read this document carefully, as it contains details on services provided by the Company via the RoboAdvising solution and sets out the obligations, rights and responsibilities arising between the user of the platform (the Client) and the provider of the platform (the Company).

If there is anything in this document that the Client does not understand or with which the Client does not fully and unconditionally agree, the Client should not use the RoboAdvising platform.

1. General Description

1.1. RoboAdvising is a solution that allows Client to assess his investment profile, choose optimized portfolio from the range provided by the Company, and process automatic rebalancing of the portfolio chosen to match the strategy laid down in the portfolio logic.

1.2. RoboAdvising is available on all “R Trader” accounts. Trading accounts registered on other trading platforms are not supported by RoboAdvising.

1.3. RoboAdvising is a signal-type copy-trading system. Invested funds are therefore not transferred from an account to be under management and remain in full possession of an investor at all times.

1.4. RoboAdvising does not utilize PAMM or similar “single managed pool” methodology at any stage of its operations.

1.5. All users of RoboAdvising are bound by the Terms of Use of RoboAdvising and the “[RoboMarkets Terms of Business](#)”.

1.6. RoboAdvising consists of two main services that are provided by the Company:

- Investment Advice (assessment of the Client and provision of the optimized portfolio)
- Portfolio Management (permanent rebalancing of the Client portfolio to reflect the strategy chosen)

1.7. Investment Advice and Portfolio Management are provided independently and form RoboAdvising service.

1.8. RoboAdvising Platform is a set of software solutions that allows to rebalance a Client portfolio automatically.

1.9. Within the RoboAdvising solution the Company will provide existing and/or prospective clients with independent investment advice, which will be based on computerised analysis of information about a client’s relevant knowledge and experience, financial situation and investment objectives.

2. Portfolios

2.1. The system automatically calculates the **Profit in %**, **Profit in USD**, **Maximum drawdown** and the **Portfolio sum** statistics for each Portfolio.

2.2. All Portfolios and their statistics appear in [this file](#).

2.3. The information update frequency may vary from time to time and from account to account and therefore does not guarantee the real time display of the Portfolio state.

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2.4. The Company's internal conversion rates are applied to the parameters that are displayed in USD so that they could be compared.

2.5. All portfolios provided in RoboAdvising platform are based on high liquid instruments traded on regulated stock exchanges.

2.6. Each portfolio has predefined list of instruments (or list of characteristics of the instrument) between which the investment are able to be spreaded

2.7. Principles and rules of portfolio allocation are described in details of each portfolio and can be found in website of the Company

2.8. All calculations and actions related to the management of portfolios are made automatically by the RoboAdvising platform. The logic of the strategy is pre-defined and described at the details of each portfolio.

3. Terms of Investments

3.1. For the purpose of using the RoboAdvising service, a Client should open a special RoboAdvising account via their Member's Area.

3.2. A Client has the right to have more than one RoboAdvising accounts and operate them on an independent basis.

3.3. An existing R Trader account cannot be converted to a RoboAdvising account.

3.4. There can only be one active Investment for one RoboAdvising account to a particular Portfolio at any given moment in time. An existing Investment must be closed before opening the new one on the same RoboAdvising account again.

3.5. To invest funds a client has to submit the request for an Investment from RoboAdvising platform.

3.6. To terminate an active Investment client has to submit the request for a termination of active investment from RoboAdvising platform.

3.7. A submitted Request for an Investment/Termination of the investment must be reviewed by the Company within 7 calendar days (168 hours) from the moment of submission. Non-reviewed Requests are automatically rejected when the review period ends.

3.8. A submitted Request for an Investment/Termination of the investment cannot be cancelled by the Investor until it is rejected by the Company or until the review period ends (whichever is earlier).

3.9. The whole balance of the RoboAdvising account is used for investment. As soon as the client has submitted the request for an investment, the whole sum of balance on account is reserved for investing.

3.10. The client is able to manage a sum of investment by depositing and withdrawing the funds.

3.11. In case there is active investment on account all free funds will be invested in accordance with the portfolio at the nearest trading session.

3.12. The withdrawal of the funds from RoboAdvising account is not available in case there is an active investment.

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3.13. Orders of clients on RoboAdvising accounts consolidated on one pool and executed as one order or series of orders at any time during the 7 days period from the date the order was sent by the client. The exact time of deals related to the pool of clients' orders is determined by the Company and not disclosed in order to prevent market manipulation.

3.14. The price of execution of any client order is determined as the average price of execution of the pool of orders which contains the above mentioned order.

3.15. Clients' orders are selected to the pool for execution in accordance with the "First in First out" rule

3.16. An investment period which determines a frequency of rebalancing is set by the Company at its own discretion.

3.17. If an Investor chooses to terminate an active Investment the total commission (if any) will be calculated at that stage and transferred from Investor's account.

3.18. In cases when the volume of the managed position needs to be rounded, it will be rounded using the mathematical rounding (either up or down). In case, the volume rounding down option is enabled, the managed volume is not allowed to be rounded up and will be rounded down only.

3.19. In the event that the calculated volume of a managed deal exceeds the maximum for an instrument and/or for an account, the deal will be managed with the maximum permitted volume.

3.20. In the event that the calculated volume of a managed deal is lower than the minimum permitted volume for an instrument and/or for an account and the "volume rounding down" option is not enabled, the deal will be managed to Investor's account with the minimum permitted volume.

4. Responsibilities of parties

4.1. Company

4.1.1. The Company is liable for the proper performance of technological solutions in compliance with its Terms, Agreements, and KIDs.

4.1.2. The Company shall control completeness, reliability, and accuracy of the provided statistical and graphical information relating to the Portfolios and their relevant results.

4.1.3. The Company shall provide relevant details on performed calculations and transfers of the fees, as well as on the history of Investments in the RoboAdvising participant's Members Area.

4.1.4. The Company shall perform automatic calculations and transfers of the RoboAdvising performance fees based on the results of positions managed by the Company in full accordance with the regulations of these Terms of Use of RoboAdvising.

4.1.5. The Company shall properly store information associated with the calculations and processes of management of trading operations within the frameworks of the RoboAdvising solution.

4.1.6. The Company shall provide technical and informational support upon the request of the Client on all matters directly connected with the RoboAdvising functionality.

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4.1.7. The Company bears no liability to participants of RoboAdvising for lost profits or losses, which may directly or indirectly occur as a result of trading operations performed or not performed by an Investor or the Company.

4.1.8. The Company bears no liability to participants of RoboAdvising for lost profit or losses, which may directly or indirectly occur as a result of their ignorance of regulatory documents or cooperation scheme.

4.1.9. The Company is not liable for an Investor's losing access to their trading accounts, as well as the third parties' gaining access to these accounts.

4.1.10. The Company is not liable for unforeseen delays when withdrawing funds or transferring them between accounts (if these delays occur through no fault of the Company).

4.1.10. The Company is not liable for technical malfunction (such as general network connectivity issues), if it occurs through no fault of the Company, but of the third parties influencing workability of RoboAdvising in some way.

4.1.12. The Company confirms the fact that its trading experience and practical skills allow them to perform trading operations in order to provide Investors with Portfolio Management/Investment Advice services.

4.1.13. The Company is fully responsible for all operations performed on their trading account regardless whether the reason for the performance of a trading operation was an order sent by the Company itself, its automated system (advisor, signal, etc.) connected to the Company's account, or any third parties, to which the Company, intentionally or unintentionally, provided access to its trading account.

4.1.14. The Company accepts risks of non-receiving commission because of the fact that Investor may not have sufficient funds for executing an order.

4.1.15. The Company must ensure that any content published is relevant and its services are accurate, truthful and not misleading.

4.1.16. The Company must ensure that only truthful, accurate and not misleading information is communicated to any of their Investors, and any other relevant parties.

4.1.17. The Company shall not use any profit-taking strategies that are based on usage of vulnerabilities in technical equipment for performance of trading operations, as well as violate the interests of their Investors.

4.2. Investor

4.2.1. Investor is solely responsible for commands and requests they send via their Member's Area and the trading terminal

4.2.2. Investor shall keep credentials to access their trading accounts (logins and passwords) safe and not provide them to any third parties. The Company's staff does not ask the Investor passwords to access their trading account.

4.2.3. Investor shall not retransmit (perform further automated or manual copying) trading operations copied by the Investor within the frameworks of the Investment without the Company's consent.

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4.2.5. Investor is fully responsible for their own independent decision-making relating to requesting for an Investment, Closure of Investment, based on the complete information published in the official website of the Company and provided by the Company.

4.2.6. Investor shall not use possible vulnerabilities in methods of calculating and transferring RoboAdvising performance fees, which help to avoid paying a full or partial RoboAdvising fees for successfully managed trading operations by the Investor.

5. Performance Fee

5.1. The Performance Fee is calculated and transferred immediately if the Investor's active Investment is closed by the Investor.

5.2. The Performance Fee is calculated and transferred immediately if the Investor's active Investment is closed by the Company.

5.3. The Investor's trading results are defined as value of the portfolio minus sum of in/out balance operations (Value of the portfolio - (Deposits - withdrawals))

5.4. To define the Performance Fee amount to be paid, the platform takes the difference between the current trading result and the highest trading result fixed for this exact investment. Fixation of the trading result is made only at the moment of charging the Performance Fee. If the current trading result is higher than any of trading results fixed for this exact investment before, the platform charges 10% from this difference.

5.5. If the currency of the Investor's account, which the Performance Fees is paid from, differs from USD, the Performance Fee amount is converted according to the Company's internal rates.

5.6. If the Investor's account has insufficient funds to make a full payment at the moment of the transfer operation, the Performance Fee will be charged from the Investor's account only in the maximum available amount. In such a case, the system will transfer only the actually withheld amount.

5.7. If the Investor's account has no available funds at the moment of the Performance Fee transfer operation, the commission will not be paid and transferred by the platform.

6. Instruments and transactions

6.1. The Investor is not allowed to manage any positions that were opened by the Company on Investor's account up until the time they are closed. Position management includes actions such as closing the position, change of its volume, and attaching Stop Loss and/or Take Profit orders to them.

6.2. Positions are managed on the Investor's account in all instruments that are available for trading on the Investor's account type.

6.3. The Investor can't ban the system from managing trading operations in some particular instruments of their own choosing.

6.4. If some instruments are not available to the Investor for trading on their account type, positions in these instruments will not be managed by the Company.



6.5. In case Margin Level on Client's trading account becomes equal or lower than Stop Out value, the Company has the right to close all open positions on the Client's trading account compulsory at the current market price without any preliminary notification and Client's consent. Stop Out values for each of account types are specified in a comparison table of account types on the Company's website.

6.6. In the case of Stop Out on the Investor's account, their Investment will be cancelled by the Company.

6.7. When the platform gets an order to open positions (Invest) to the Investor's account, the platform checks this account for Free Margin. If the required volume of the initial margin and/or the hedging margin for the position being opened exceeds Free Margin on the Investor's account, the position will not be opened to the Investor's account.

6.8. If it is impossible to open/maintain any trading position to the Investor's account within the frameworks of Investment due to insufficient available funds on the Investor's account, and if there are no open positions within the framework of the same Investment, the platform can automatically terminate such Investment.

7. Risks disclosure

7.1. Managing of trading operations performed on the principle of the margin trading (if applicable) involves risks of financial losses that are specific for the margin trading in general. The overview of risks prevailing at the margin trading, as well as specific risks common to copying systems, can be found in the [Risk Disclosure](#).

7.2. The time of open/modification of trading positions in the RoboAdvising platform is not a fixed value and depends on market conditions, the number and volume of operations, order processing speed on the Company's contractors, and technical capabilities of the infrastructure. The process of management starts right after a respective operation on the Company's account is complete. A trading operation cannot be managed on the Investor's account earlier than a respective operation is performed on the Company's account.

7.3. Using an additional factor for increasing a volume of managed transactions (if applicable) which is non proportional to the ratio of balances and leverages of Investor's account and a source account of a strategy implies a significant additional risk aside from direct market exposure. During drawdown situations (when the market moves against open positions), the account of an investor can face margin shortages leading to positions close-out (liquidation), while source account with lesser relative exposure can sustain such drawdown. Any Investor using custom factor feature of the platform shall always consider its risk appetite as the factor applies not only to the potential profits but also to the potential losses to the same extent. Ratio risks are also relevant to the situations when such factor is not used, but funds and/or leverages and/or stop-out conditions of investor's and source accounts differ in a way that may cause the earlier liquidation of investor's position.

7.4. Investment activity via RoboAdvising platform usually implies that a number of investors are following a single strategy. Therefore, subscribers are automatically performing similar trading operations at the same time as the strategy provider. If the number of investors is significant, then a large total volume of transactions is performed in a single security each time when a single trade is conducted by a strategy provider. This feature of RoboAdvising platform imposes additional risks to the performance of an investment as liquidity sources usually offer a finite amount of liquidity available at each price level, thus orders of a large volume tend to be filled at worse prices than orders of a smaller volume. Risks of such kin are more significant when the set of securities used in a strategy is composed of less-liquid or exotic instruments.

8. Dispute resolution



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8.1. If the Client believes that the RoboAdvising solution didn't operate in full compliance with the regulations of these Terms of Use, as well as if the Client requires additional details relating to the operations on their account, the Client has the right to ask the Company for a detailed investigation of the situation and provision of all relevant additional information by contacting the Company's Live Support via the ticket system.

8.2. The Client has the right to ask for information that is related only to their trading accounts and relevant orders, positions, and balance operations.

8.3. The Client has no right to ask the Company to provide information relating to operations on other Clients' accounts no matter what roles in the RoboAdvising solution the Client and other Clients have.

8.4. The Client has no right to ask the Company to provide them with the contact information of other clients no matter what roles in the RoboAdvising solution the Client and other Clients have.

8.5. The Client has no right to ask the Company to initiate communication with other Clients no matter what roles in the RoboAdvising solution the Client and other Clients have.

8.7. In case of any disputes, the Company, at its own discretion, has the right to provide information on the operations performed on trading accounts of other Clients in aggregated and/or anonymized view if the Company believes that such information is directly relevant to the dispute and provision of this information is necessary.

8.8. If the Client believes that the Company has violated the Terms of use of RoboAdvising and/or any of its [Terms, Agreements, Procedures and/or Policies](#) and the explanation requested by the Client and provided by the Company in accordance with the item 8.1 is not considered by the Client sufficient and/or comprehensive, the Client has the right to submit a claim. The claim submission and resolution procedure is set out in the [CLIENT'S COMPLAINTS OR GRIEVANCES PROCEDURES](#)

9. Application of terms

9.1. These Terms of Use come into effect for both the Company and its Client at the moment of the acceptance of intention to obtain Investment Advice by a Client. The termination date of this document is the same as the termination date of the Terms of Business.

9.2. The Client begins to be provided with Portfolio Management service at the moment of the first Investment by a Client in any Portfolio.

9.3. The termination date of Investment Advice and Portfolio Management services is the same as the termination date of the Terms of Business.

9.4. The Client acknowledges that he has not relied on or been induced to accept these Terms of Use by a representation other than itself.

9.5. RoboAdvising Solution is the Company's self-design project. The terms and the ways of calculation may differ from the terms and ways of calculation of similar parameters in other similar platforms in the market.

9.6. The Company has the right to make amendments to the articles of these Terms of Use, notifying a Client 5 business days before the changes come into effect.

9.7. The Client has the right to withdraw its consent to these Terms of Use if they inform the Company in writing of their willingness to do so. Withdrawal of consent will unconditionally mean that RoboAdvising platform and

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relevant services will not be provided to the Client and its active RoboAdvising accounts and Investments are to be closed.

9.8. The Company has the right to terminate the provision of RoboAdvising platform and relevant services to the Client immediately, provided that the Company informs the Client in writing about it. Termination will unconditionally mean that RoboAdvising platform and relevant services will not be provided to the Client and its active RoboAdvising accounts and Investments are to be closed.

10. Glossary and interpretation

10.1. The Company is a participant of the RoboAdvising platform that Assesses the Client, Provides Investment Advice to the Client and Opens and Maintains Investment on the Investors' trading accounts.

10.2. Investor is a participant of the RoboAdvising platform, who invested in a Portfolio managed by the Company.

10.3 Assessment of the Client means the definition of client risk profile and investment goals via the analysis of the results of the questionnaire.

10.4. The Company is RoboMarkets Ltd, a European broker, address: 169-171 Arch. Makarios III Ave., floor 8, 3027, Limassol, Cyprus, regulated by the Cyprus Securities and Exchange Commission (CySEC), license No. 191/13.

10.5. Investment means using funds to Open positions in the Client account in accordance with the strategy of the Portfolio. Investment implies ongoing rebalancing of the Portfolio to reflect changes in the Portfolio structure because of the strategy laid down in the Portfolio.

10.6. Portfolio means a set of Instruments and their shares to form diversified investment in several instruments in accordance with the defined logic (strategy).

10.7. Open Investment means to proceed with trading activity to form the Portfolio.

10.8. Rebalancing is a process of calculation and trading activity of the Company, which is intended to change the share of the exact instrument in the Portfolio to form the correct structure that should reflect any changes in the Portfolio in accordance with the strategy.

10.9. Request for an Investment is an application in the Investor's Members Area created on the Investor's part, which is pending the Company's review and resulting, in case of the Company's positive decision, in the creation of a new Investment of this Investor to the Portfolio.

10.10. Performance Fee is an amount of funds calculated based on changes of clients trading results, which is the subject to automatic transfer by the RoboAdvising Platform from the Investor's account to the Company.

10.11. Profitability is a parameter describing the Portfolio, which defines a relative (in percent) gain of funds on the Portfolio for some period of time.

10.12. Drawdown is a parameter describing the Portfolio, which defines a negative relative (in percent) difference between the equity and balance of the Portfolio.

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