

ETORO – EUROPE

Client Terms and Conditions

June 2020

Thank you for opening an eToro account. These Terms and Conditions were last updated and published on 14 June 2020 and set out the different services which we may provide to you. We recommend that you print a copy for your records.

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PART 1 – YOUR RELATIONSHIP WITH US

1. About us

- 1.1 These Terms and Conditions which include the Schedules, any express consents given by you from time to time, and any documents we refer to, including the [General Risk Disclosure](#), [Conflicts of Interest Policy](#), the [Best Execution and Order Handling Policy](#) and the [Privacy Notice](#), form the agreement between you and eToro (Europe) Limited ("**eToro Europe**", "**we**", "**us**", and "**our**"). We refer to all these documents as the "**Agreement**". You expressly agree to the terms of the Agreement and we will also treat your access to and use of our Services (our "**Services**" are explained in clause 2 below) as acceptance of the terms of the Agreement.
- 1.2 You are responsible for checking our website periodically in order to review the current version of the Terms and Conditions. Please contact us if you have any questions. Our contact details are available in clause 10 – "Communicating with you" below.
- 1.3 eToro (Europe) Limited is authorised and regulated by the Cyprus Securities Exchange Commission ("**CySec**") with reference number 109/10. Its registered office and principal place of business is at KIBC (Kanika International Business Center) 7th floor, 4 Profiti Ilias Street, Germasogia 4046, Limassol, Cyprus.
- 1.4 The CySEC's contact details are as follows:
- Office Address: 19 Diagorou Str. CY-1097 Nicosia, Cyprus
- Telephone: +357 22506600
- Postal Address: P.O BOX 24996, 1306 Nicosia, Cyprus

2. Our Services

- 2.1 We provide a digital trading platform, which can be accessed via a mobile and/or web-based application, where you can:
- (a) trade contracts for differences ("**CFDs**");
 - (b) invest in securities;
 - (c) trade cryptoassets;
- we call the above the "**Trading Services**"; and
- (d) trade CFDs, invest in securities, and/or trade cryptoassets, by copying the trades of other customers who trade on the eToro platform, or by copying trades in a portfolio which we have put together, which we call the "**Copy Trading Services**".
- 2.2 We also provide relevant custody services for your trades and copy trades.
- 2.3 When we say "**Services**", we are talking about all of our services as described above, which includes the Trading Services, the Copy Trading Services, the custody services and other related services.
- 2.4 Some of the terms in the Agreement only apply to certain Services. If you do not use those Services, then those terms will not be a part of your Agreement with us. We will always be clear which terms apply to which Service, but please contact us if anything is unclear.

- 2.5 You should read the Parts 1 to 5, as well as the Schedule(s) that apply to the Services that you use, as follows:

Parts 1 to 5: applies to all eToro Europe customers

Schedule A: applies if you trade contracts for differences ("**CFDs**")

Schedule B: applies if you invest in securities

Schedule C: applies if you trade cryptoassets

Schedule D: applies if you use the Copy Trading Services

3. **Regulatory status of our Services**

Trading Services and the Appropriateness Assessment

- 3.1 The Trading Services is an execution-only service. This means that you will be responsible for all investment decisions and actions with respect to the trades that you enter into. This includes, but is not limited to, opening, closing, or not opening or closing, a transaction. The capacities that we trade in on your behalf, including whether as principal or as agent, are set on in the Schedule(s) that apply to the Services that you use.
- 3.2 You may be trading a complex product, for example CFDs, when you use our Trading Services. Before you trade in a complex product, we are required to assess whether the product is appropriate for you (the "**Appropriateness Assessment**"). We do this by obtaining from you information about your investment knowledge and experience in trading such products, and assessing that information.
- 3.3 If we consider that the complex product is inappropriate for you, or if you do not provide us with the required information to conduct the Appropriateness Assessment, we may not allow you to trade in such instruments or we will provide you with a warning in relating to the trading of such instruments.

Copy Trading Services and the Suitability Assessment

- 3.4 The Copy Trading Services is a limited form of discretionary investment management. This means that, before you can engage in a copy trade, we are required to assess whether our services are suitable for you (the "**Suitability Assessment**"). This is done by obtaining from you information about your investment knowledge and experience in copy trading, your investment objectives, including your risk tolerance, and your financial situation, including whether you can financially bear losses consistent with your investment objective.
- 3.5 If we consider that our Copy Trading Services are not suitable for you as a result of the Suitability Assessment, in accordance with our obligations under Applicable Law and our internal policy and procedures, or if you do not provide us with the required information to conduct the Suitability Assessment, you will not be able to enter into copy trades on the eToro platform.
- 3.6 We may update your Suitability Assessment from time to time. If there has been a change to your knowledge, experience, financial situation, or investment objectives, including your risk tolerance, you should advise us, so that we can update your Suitability Assessment.

Information provided by you

- 3.7 You agree and acknowledge that the Appropriateness Assessment and/or the Suitability Assessment are performed on the basis of information and documents provided by you, and we may rely upon the information and documents provided by you and we are not responsible for any damages or losses which may arise from any inaccuracies. In addition, you agree to immediately notify us of any changes to the information and documents which you have provided, and to provide use with up to date, accurate and complete information to enable us to conduct each Appropriateness Assessment, and/or Suitability Assessment, at our reasonable request.

4. **Limitations to our Services**

- 4.1 We do not provide personalised investment recommendations or investment or tax related advice. Any explanation or information which we give to you as part of a trade, or a copy trade, or about the performance of the trade or copy trade is not intended to be, and should not be considered as advice.
- 4.2 The eToro trading platform is not an exchange or a market. This means that:
- (a) you can only enter into trades and investments with us on the platform, and not third parties;
 - (b) all trades opened on our platform must be closed on our platform;
 - (c) all products which you purchase on our platform can only be sold on our platform, and not a third party platform;
 - (d) you will generally not be able to transfer products into your eToro account, out of your eToro account or to a third party at any time. However, we reserve the right to permit and support this functionality at our discretion, including, for example, the ability for you to transfer certain products between your eToro account and electronic wallets operate by an eToro Europe affiliate; and
 - (e) our prices will be different from the prices provided by other brokers, the market price, as well as the current prices on any exchanges or trading platforms.
- 4.3 Therefore, you expressly consent to us executing orders outside of a regulated market, multilateral trading facility, or organised trading facility, in the manner described in these Terms and Conditions, the relevant Schedule, and the Best Execution and Order Handling Policy.
- 4.4 We may not provide all of our Services to customers domiciled in certain countries due to restrictions under Applicable Law, or restrictions under our internal policies (these are known as "**restricted countries**"). If you are a resident of a restricted country, you may be able to access some of our Services, but not all of our Services. We may change the list of restricted countries, as well as the Services that are available in a restricted country, from time to time. For further information, please speak to us, our contact details are available at clause 10 – "Communicating with you".
- 4.5 We will not accept applications for eToro accounts from residents domiciled in Canada, or residents or citizens of the United States of America, as well as other countries as required by Applicable Law, or required by our internal policies from time to time (these are known as "**blocked countries**"). We may change the list of blocked countries from time to time. For further information, please speak to us. Our contact details are available at clause 10 – "Communicating with you".
- 4.6 Our Services may not be available in a blocked country. If you are travelling to a blocked country, you may not have access to your eToro account or any of our Services. This restriction applies even if you do not normally reside in the blocked country. We are not liable for any loss which results from your inability to access the eToro platform because you are in a blocked country, or if caused by circumstances outside of our control.

5. **The key risks of using our Services**

- 5.1 The risk of using our Services, is that you could lose all your money which you have deposited into your eToro account. Therefore you should not trade or invest money that you cannot afford to lose. It is important that you fully understand the risks involved before deciding to trade with us in light of your financial resources, level of experience, and risk appetite. If required, you should seek advice from an independent financial advisor.
- 5.1 The actual returns and losses experienced by you will vary depending on many factors, including, but not limited to, market behaviour, market movement, and your trade size.
- 5.2 The value of your investments may go up or down.
- 5.3 Past performance is not a guide to future performance.

5.4 Your eToro account and our Services are provided in US Dollars. This means that transactions with eToro will carry an inherent foreign exchange risk, unless all the money that you put into and take out of your eToro account is in US Dollars.

5.5 More information on the risks associated with using each of the Services is set out in each Schedule, the General Risk Disclosure, and on our website.

Digital trading platform

5.6 When you trade on a digital platform, such as the eToro platform, there is a risk that you will lose money as a result of:

- (a) the failure of your computer/mobile/digital device (including its battery);
- (b) a weak internet connection, or a weak mobile connection, which means you may not be able to connect to the eToro trading platform, or if you are able to connect there may be a delay;
- (c) hacking or the use of malicious software that allows a third party to gain access to your information and/or assets;
- (d) your device being incompatible with the eToro trading platform or system specifications, including due to incorrect settings or system specifications;
- (e) the failure or malfunction of eToro's or your hardware or software; and/or
- (f) your non-adherence with the eToro Security Guidance, available on our website at <https://www.etoro.com/customer-service/etoro-security-guidelines/>.

5.7 Some of the features available on the eToro trading platform may not be available if you are accessing the platform on a mobile device.

You must monitor your trades

5.8 If you believe you have an order or trade that is not showing on the eToro trading platform, or have any other issue or problem with any order or trade, you should contact us immediately.

6. Best execution

6.1 We are required to take sufficient steps to achieve the best possible result for you, on a consistent basis, when providing our Services. Our [Best Execution and Order Handling Policy](#) sets out the procedures that we follow as well as the relevant market factors that we take into account as part of our best execution obligation. This policy, which may be amended from time to time, forms part of our Agreement with you and is available on our website.

6.2 We understand that the best execution result is one that produces the best possible financial result for you, and that the "best possible financial result" is the best possible result in combination across all your trades. This means that some trades, taken individually, may be less favourable. Where we reasonably believe that it is in the overall best interest of all our clients, we may combine your order with our own orders or those of other clients, or we may split your orders. Best interests are not solely determined by price, and we also consider other factors, such as the speed of the trade and the likelihood of the trade being successful, to be important. Aggregation or splitting of orders may result in you obtaining, on some occasions, more favourable terms or price, and, on other occasions, less favourable terms or price than if your order had been executed separately.

6.3 We monitor the effectiveness of our Best Execution and Order Handling Policy on a regular basis to ensure that we consistently achieve the best results for you.

7. **Conflicts of interests**

7.1 We are required to act in your best interest when providing our Services. However, there may be instances where your interests conflict with our interests, or with another client's interests. For example:

- (a) we may execute hedging transactions before or after entering into a transaction with you to manage our risk in relation to the transaction, which may impact the price you pay or receive for such transactions, and we will retain any profits generated by such hedging. However, we are not required to hedge transactions if we do not want to;
- (b) we may enter into arrangements with third parties, or with other clients, where we make payments to them or receive payments from them based on your trading activity or volume, where such arrangements are permitted by Applicable Law. These payments may include rebates, commissions, widened spreads and profit sharing;
- (c) we may provide, pay or receive fees, commissions or non-monetary benefits where such payments are permitted by Applicable Law;
- (d) we may share dealing charges with our affiliate companies or receive remuneration from them in respect of transactions carried out on your behalf;
- (e) we may be the counterparty to trades that you enter into; and
- (f) we are responsible for setting the price of instruments and products which can be traded on the eToro platform. This means that our prices will be different from the prices provided by other brokers and the market price, as well as the current prices on any exchanges or trading platforms.

7.2 We have in place a number of internal policies and arrangements to help manage any conflicts including as set out in our Conflicts of Interest Policy and which is available on our website. In addition, the potential conflicts related to trading detailed above are subject to a detailed objective criteria which is set out in our Best Execution and Order Handling Policy.

8. **How your money is protected**

8.1 eToro Europe is covered by the Cyprus Investor Compensation Fund ("**Fund**"). If we fail, the Fund can return your money up to €20,000 or as may be updated from time to time. For more information about the Fund, visit our website at <https://www.etoro.com/customer-service/regulation-license/> and <https://www.cysec.gov.cy/en-GB/complaints/tae/>.

8.2 Importantly, the Fund protection is only applicable to regulated products. This means that any cryptoasset trades, including cryptoasset copy trades, are not protected, but security trades and security copy trades, and CFD trades and CFD copy trades, are protected.

9. **How you can make a complaint**

9.1 If you are unhappy with a Service or something has gone wrong, please contact us and we will try to put it right. You may contact us directly via:

- (a) the "Help" section of our platform, where you will also find our complaints procedure; or
- (b) the customer service section of our website at <https://www.etoro.com/customer-service/>.

9.2 For more information on our complaints handling procedure, please visit our website at <https://www.etoro.com/customer-service/regulation-license/>.

9.3 If you're still not happy with how we've dealt with your complaint, you can refer it to the Financial Ombudsman of the Republic of Cyprus or to the CySEC or to relevant courts. For more information on such alternative solutions, please refer to our complaints handling procedure.

10. **Communicating with you**

How we may contact you

- 10.1 You expressly consent to us using our platform or website www.eto.com, as we deem appropriate, to inform you of information about us and of changes to such information (including changes to our Agreement and our Best Execution and Order Handling Policy).
- 10.2 We may also communicate with you via our website and applications, by email, telephone, fax, post, newsletter, letter, electronic chats, and/or any other means of communication. We will use the contact details you gave us when you opened your eToro account, and as updated by you to us.
- 10.3 If your details change, including your email address, contact numbers, name, home address, country of residence or nationality, you must tell us as soon as possible. If you do not let us know, you might not receive important information from us.
- 10.4 Our Agreement with you, and all information, statements and notifications between you and us, will be in English and we will communicate in English. If we provide you with documents in another language, and there is an inconsistency, the English version will prevail.

Contacting us

- 10.5 If you have any questions about the Agreement, or would like to speak to us, you can contact us in the following ways:

By phone	+357 25030234
Online	https://www.eto.com/customer-service/
By post	eToro Europe, KIBC (Kanika International Business Center) 7th floor, 4 Profiti Ilias Street, Germasogia 4046, Limassol, Cyprus

PART 2 – HOW OUR SERVICES OPERATE

11. **Client classification**

- 11.1 We will classify you as a retail client for the purposes of the Services. Retail clients are given the highest level of protection under Applicable Law.
- 11.2 You may request that we re-categorise you as a different type of client, but we would not be obliged to do this. If you are re-classified as a professional client, you may lose certain protections. In these circumstances, we will provide you with a Client Categorisation Notice, setting out the regulatory protections that you will keep, as well as those that you will lose. If a term of the Client Categorisation Notice conflicts with, or is different to, a term in this Agreement, the Client Categorisation Notice will apply.

12. **How to open, and maintain your eToro account**

Applying for an account

- 12.1 To apply for an eToro account, you will need to complete an online application form and provide us with information that we request, so that we can identify you, verify your identity, and conduct fraud checks, sanctions checks, anti-money laundering and counter-terrorism checks, and any other checks as required by Applicable Law, including without limitation, the Foreign Account Tax Compliance Act ("**FATCA**"), as required by our internal procedures. This means we will require you to provide us with personally identifiable information, the countries where you are a tax resident, confirmation of whether or not you are a US citizen or whether or not your place of birth is in the US or any other information which will be required under Applicable Law.
- 12.2 You will also need to provide us with information so we can assess whether the Trading Services are appropriate for you, and assess whether the Copy Trading Services are suitable for you. Please refer to clause 3– "Regulatory status of our Services" for more information about the Appropriateness Assessments and the Suitability Assessments.
- 12.3 If you are applying for an eToro account on behalf of a business, you must have the authority to enter into agreements, including this Agreement, on behalf of that business.
- 12.4 If you have more than one eToro account, we may combine your eToro accounts into one. We may also place limits on the number of eToro accounts which you may hold, as well as the number of eToro accounts which one household may hold.
- 12.5 eToro Europe is a wholly owned subsidiary of eToro Group Limited, which is an unregulated company in the British Virgin Islands. If you open an eToro account but have not put money into the account or you are trading using a 'demo account', you will be a customer of eToro Group Limited. This means that you will not benefit from the protections available to clients of eToro Europe, which is a regulated entity, until the point in time when you fund your account.

Linking a payment method

- 12.6 In order to put money into your eToro account, you will need to link your eToro account to a current account, debit card, credit card, electronic wallet or other means of payment, which is approved by us. We call this your payment method. We may allow you to link more than one payment method, but we are not required to do so. We may accept different payment methods in different countries.
- 12.7 The payment method must belong to you, and must be in your name. We do not accept money from people who are not you. We may require you to provide us with documents to verify the details, and the ownership of your payment method. If we cannot verify the details of your payment method, or if we cannot verify that the payment method belongs to you, you will not be able to deposit money into your eToro account, and therefore will not be able to use our Services.
- 12.8 We may process your deposits and withdrawals, and reserve the right to use electronic wallets and payment processing accounts operated by an eToro Europe affiliate.

Provision of information

- 12.9 We may, from time to time, require additional information and/or documents (including as required by anti-money laundering regulations and any other similar regulations applicable to us ("**AML**"), as well as for anti-fraud measures or any other related internal procedures), or clarifications to information and/or documents which you have provided to us.
- 12.10 If any information which you have provided to us under this clause 12 – "How to open, and maintain your eToro account" changes, you should tell us, in writing, as soon as possible, and no later than 30 days after the change takes place.
- 12.11 The information you provide to us must be complete, accurate and not misleading. If you do not provide us with the required information, or if you provide inaccurate, incomplete or misleading information, we will not be able to open an eToro account for you, or, if you already have an eToro account, we may freeze, block, or close your eToro account.

13. Keeping your eToro account safe

- 13.1 If we accept your application, we will open an eToro account for you. You will need to choose a username and a password to access your eToro account and we may also require other security details.
- 13.2 It is your responsibility to take all reasonable steps to keep your eToro account safe. For example, you should keep your security details, such as your username and password, a secret. You should select a password that it is not easy to guess (such as using a combination of uppercase and lowercase letters, numbers and symbols) and is a unique password for your eToro account. We recommend that you do not re-use a password previously used by you for other platforms/services. You should also apply two-factor authentication to your account to keep your account secure.
- 13.3 You will need to change your security details immediately and contact us as soon as possible if you think someone else knows them.
- 13.4 We may block access to your eToro account or block access to our Services if we believe that it is necessary for security or legal reasons. For example, if we think someone may have access to or is using your eToro account without your permission.
- 13.5 We may contact you to provide you with new security details, or contact you to require you to change your security details.
- 13.6 You must not give any third party (including minors) any access to and/or control of your eToro account. If you elect to give another person access to and/or control of your eToro account, you do so at your own risk and we will not be responsible for the decisions of that third party. For example, if they place trades or if they place copy trades and make a loss, we won't refund you that money. We reserve the right to cancel or reject any orders placed by any third party for security and/or legal reasons.

14. How to pay money into, and take money out of, your eToro account

Paying money in (also called "**deposits**")

- 14.1 You can pay money into your eToro account by using one of your payment methods (which we referred to in clause 12 – "How to open, and maintain your eToro account"). We do not accept cash or cheques.
- 14.2 If your payment method charges us a fee, for example, a payment transfer or a payment processing fee or currency conversion, we may charge you a "**transfer fee**". Our transfer fees are set out on our website.
- 14.3 Your money will show in your eToro account as soon as we are satisfied that it comes from you.
- 14.4 We may place a limit on how much money you can pay into your eToro account. We will let you know in advance if we do this.
- 14.5 We may return any money which comes in from a payment method that is not in your name. If we are charged fees for returning your money, we will deduct an amount equal to that fee from the money which we are returning.

Taking money out (also called "**withdrawals**")

- 14.6 You can take money out of your eToro account by sending it back to the payment method that it came in from. We may permit you to withdraw money to an alternative payment method also in your name, but only after we are satisfied that the alternative payment method belongs to you.
- 14.7 You may not be able to take money out of your eToro account if it would leave insufficient funds in your eToro account to pay for any unsettled transactions and/or applicable fees or charges.
- 14.8 To protect your money against fraud, we may put a limit on how much can be taken out of your eToro account. The minimum amount per withdrawal is set out on our website. However, if you are closing your eToro account in accordance with clause 26 – "Closing or blocking access to your eToro account", this restriction will not apply.
- 14.9 We may charge you a fee each time you take money out. Our fees are available on our website.
- 14.10 We will process a valid and complete withdrawal request by the end of the following business day. Our processing may be delayed if required under Applicable Law, including if we have an AML concern. We may, or may not be able to, disclose to you the reasons for such delay. Please note that it might take a few days for your payment processor to update the balance in your account, depending on your payment processor's policy and procedures.
- 14.11 If you take money out of your eToro account after 11.00 am Eastern European Time, or on a non-business day, we may not process your withdrawal request until the next business day. When we say business day, we mean Monday to Friday, but not a public or a bank holiday.

Converting your money into US Dollars

- 14.12 Any money you pay into your eToro account must be made in British Pounds, Euros, US Dollars or another currency approved by us. We will convert all money into US Dollars.
- 14.13 Each time you take money out of your eToro account, we will convert the US Dollars into the currency selected by you, and we will charge you a fee. Our fees for converting money are available on our website. This clause does not apply if your withdrawal is in US Dollars.
- 14.14 You are responsible for the foreign currency exchange risk arising from any conversion of money to or from US Dollars in or out of your eToro account.

15. **How we treat your money**

- 15.1 Subject to clause 16 – "When your money stops being client money", money that you put into your eToro account will be treated as "**client money**" in accordance with the CySEC rules.
- 15.2 The Services include trading in cryptoassets. Cryptoassets are not regulated products and therefore any money held in relation to a cryptoasset trade or copy trade will not be subject to the CySEC rules, unless otherwise stated. However, we will endeavour to protect your money in accordance with best market practice.
- 15.3 Under the CySEC rules, we will separate client money from our own money by putting it into a separate bank account with a reputable bank. This is called a "**client money account**". We are permitted by the CySEC rules to hold your client money, and other clients' client money, together in the same client money account, this is called an "**Omnibus Account**".
- 15.4 We may hold client money in bank accounts in the European Economic Area ("**EEA**"). We may also hold client money in bank accounts in a different country outside the EEA. This means that different rules, regulations and laws may apply to these banks, which means that in the event of an insolvency, money in a client money account held with that bank may be treated differently to money held with an EEA Bank.
- 15.5 We are not responsible for the insolvency, acts or omissions of any bank, although we will take reasonable care when choosing which bank to open a client money account with.

- 15.6 Unless we separately agree to do so with you, we will not pay you interest on any client money we hold, and if interest is accumulated on such funds, it shall not be deemed part of the clients' funds and shall not be credited to your account.
- 15.7 We may allow another third party to hold your money for the purpose of a transaction for you. Such third party may include an eToro Europe affiliate or a third party such as an exchange, or a clearing house, and may also hold your money in an Omnibus Account. If we do this, we will take reasonable steps to make sure your money is treated as client money where applicable but we will not be responsible for any acts or omissions of that third party.
- 15.8 In the event of the insolvency or any other analogous proceedings in relation to a third party which has been appointed to hold your client money, we will only have an unsecured claim against the party on behalf of you and our other clients. This means that you will be exposed to the risk that the money received by us from such party is insufficient to satisfy the claims of you and all other clients with claims in respect of the relevant account.

Putting your money into a qualifying money market fund

- 15.9 We may put your money into units or shares in a qualifying money market fund. This means your money will not be held as client money in accordance with applicable CySEC rules on safeguarding client funds, but the units or shares will be held as safe custody assets in accordance with applicable CySEC rules on safe custody. Under the CySEC rules, we will separate the units or shares in the qualifying money market fund from our own.
- 15.10 We will not pay you any interest earned on the units or shares in the qualifying money market fund.
- 15.11 Investments in qualifying money market funds are considered low risk. However, if the qualifying money market fund fails, which causes you to lose money, we may pay you back that money, although we are not required by Applicable Law to do this.
- 15.12 You expressly consent to us putting your money into a qualifying money market fund. Your agreement is a necessary condition for us to provide you with our Services. If you do not agree, or change your mind, please let us know in writing and we will help you close your eToro account.

16. When your money stops being client money

- 16.1 We may use the money in your eToro account to pay fees, costs or charges which becomes due and payable. Where you enter into a transaction, all fees, costs, and charges for that transaction will become due and payable immediately upon execution, and therefore we will deduct the relevant sum from your eToro account at that point. Money which is due and payable will stop being treated as client money in accordance with Applicable Law.
- 16.2 *This term applies if you have been categorised as a "professional client" only:* Following appropriate disclosure of the risks by us to you, you and we may separately agree that: (a) we will not hold money which you put into your eToro account in accordance with the client money rules and Applicable Law; and (b) such money will be transferred to us by way of full title and ownership, and free of any encumbrance, security interest, lien or other restriction, for the purpose of securing or covering your present, future, actual, contingent or prospective obligations to us (this is known as the "**title transfer agreement**"). Because title of the money has passed to us, you will no longer have a proprietary claim to that money and we can deal with it in our own right, and you will rank as a general creditor of ours. The title transfer agreement must be entered into using the eToro agreed format and signed by you, and may be provided to us by post, email, or via the eToro platform.
- 16.3 We may pay the money in your eToro account to a charity if you have not accessed your eToro account for 6 years. This means that we will stop treating your money as client money. We will try to contact you to return your money before we do this. If you contact us after the money has been given to a charity, we will pay it back to you.

- 16.4 If we transfer/sell our business to someone else, in accordance with the CySEC rules:
- (a) we will provide you with notice prior to the transfer;
 - (b) they will hold your transferred money in accordance with the client money rules or, if they do not treat your money as client money, we will exercise due skill, care and diligence in assessing whether they will apply adequate measures to protect your money; and
 - (c) you consent for us to transfer your money. If you do not want your money to be transferred to another person, please contact us and we can help you close your eToro account.

17. **Entering into transactions – Quotes**

- 17.1 The eToro platform will display the indicative price to buy, and the price to sell for each product. This is called a "**quote**". A quote is not an offer by us to buy or sell any products. We generally do not provide quotes over the phone, but may do so at our discretion.
- 17.2 We are responsible for setting the price of instruments and products which can be traded on the eToro platform. This means that our quotes will be different from the prices provided by other brokers, the market price, as well as the current prices on any exchanges or trading platforms.
- 17.3 Although, when we provide a quote, we may take into account the price that we receive from a broker, the market, or any exchanges or trading platforms, we are under no obligation to do this, and we are under no obligation to ensure that the quotes which we provide are within any specific percentage of such price.
- 17.4 If the prices on a market, exchange or trading platform are distorted, for example during a short term price spike, or during pre-market, post-market, or intra-day auction periods, we may reflect similar prices in our quotes, but we are under no obligation to do this.
- 17.5 When the underlying market or exchange is closed, our quotes may reflect what we believe to be the current bid and ask price of the relevant product or, if you are trading a CFD, the underlying product, at that time, but we are under no obligation to do this.
- 17.6 Quotes are updated constantly which means that the price to buy or sell may change between the time that you place your order, and the time that we execute your order. We will tell you the price that your order was executed at.

18. **Entering into transactions – Placing an order**

- 18.1 When you use our Trading Services or Copy Trading Services, you will place an order. An order is any request placed by you with us to purchase or to sell or otherwise deal in financial products, which may include a limit order, stop loss order and/or take profit order or such other order as may be available on the trading platform from time to time. We will then need to accept your order for it to take effect. Please read clause 19 – "Entering into transactions – Modifying your order, cancelling your order, or us not accepting your order" which explains when you might be able to change or cancel your order, as well as when we might not accept your order or cancel your order.
- 18.2 You can place an order by using our platform. We generally do not accept orders over the phone, but may do so at our discretion.
- 18.3 We will execute orders that are received from your eToro account, and which we reasonably believe are from you, or authorised by you. Please be careful when making an order. If you place orders by accident or in error, for example if you place multiple orders which are the same, we will assume that you did this on purpose and we will execute them without checking this with you.
- 18.4 Once we accept your order, we will execute it in accordance with any specific instructions that you give. This is called a trade. The instructions which are available on our platform may change from time to time, but may include market orders, limit orders, take profits and stop losses. For more information on how you can place an order, the instructions that you can give, and how we may execute your order, please read our Best Execution and Order Handling Policy.

18.5 We cannot guarantee that your execution price will match your order price, including where you've placed a limit order, take profit and/or stop loss order. This is because the market may be volatile and/or the price may have moved up or down between the time that you place your order (or the time your limit order, take profit and/or stop loss order has been activated) and the time that we execute your order. This is known as slippage. When this happens, we will execute your order at the next best price and in accordance with our Best Execution and Order Handling Policy.

18.6 If you have placed an order during:

- (a) times in which the market of the underlying is suspended (for example, during the weekend or at off-market hours, suspension due to market conditions or due to any other event in which the market of the underlying is suspended), and/or
- (b) during the time the market was open, however, your order is triggered shortly following a suspension,

then the applicable order you have placed will be executed as soon as is reasonable under the circumstances when trading resumes. We do not guarantee that your order will be executed at the first available underlying market price at commencement of trading or within any specific range compared to other market prices which may be available to you from other sources. We are not liable for any loss or for other claims which you may have in connection with such orders.

18.7 We will execute orders received during trading hours. Different products have different trading hours and these are available on our website. It is your responsibility to ensure you are aware of the trading hours for the product you are trading. We may agree to execute orders outside of business hours, at our discretion.

18.8 Where you place an order outside of market hours, or where the product you are trading has a 24/7 market, but your order is placed during a period where there is limited trading (for example during the weekend), the availability of the different functionalities which we may provide as part of our Services, including instructions which you may give in respect of a trade, may be delayed or may not be available. We are not liable for any loss which results from your inability to access or provide certain trading functionalities and instructions.

19. **Entering into transactions – Modifying your order, cancelling your order, or us not accepting your order**

19.1 You may request to cancel or modify an order which we have not executed. However, we cannot guarantee that we will be able to carry out your request. This will depend on the product that you are trading and whether you are using our Copy Trading Services. Please read the Schedule that applies to your order for more information about this.

19.2 We are not required to accept every order that you make and reserve the rights to decline any order or transaction. If we have accepted your order we are not required to complete/execute every order. We provide below a non-exhaustive list of examples of situations where we may not accept an order, not execute or complete an order, or cancel an order:

- (a) if we reasonably believe the security of your eToro account is at risk, or if we're concerned about unauthorised or fraudulent use of your eToro account. This might happen if we think someone is using your eToro account without your permission;
- (b) if you do not have enough money in your eToro account to cover the maximum amount of loss associated with your order, plus any associated fees, charges and applicable margin;
- (c) if we reasonably believe that there is an error with your order. For example, if you have placed an order that is unusually large and you have never done this before;
- (d) if the order you have requested is unusual or for exaggerated volumes;
- (e) there is an error with the quote that we have provided. For example, if the quote is manifestly different to the market price, prices on exchanges, prices on trading platforms, and/or if the quote is clearly loss making;

- (f) there is a change in Applicable Law, which means that the order is no longer in compliance with Applicable Law;
 - (g) there is a "**corporate event**" – please refer to the Schedule B – Investing in Securities, and Schedule C – Trading Cryptoassets for more information on corporate events;
 - (h) an exchange requests or recommends that the order is cancelled;
 - (i) you breach the rules of trading. We explain our rules of trading in clause 23 – "Rules of trading";
 - (j) an "**Event of Default**" occurs. We explain what an Event of Default is in clause 28 – "Event of Default"; and/or
 - (k) an "**Exceptional Event**" occurs. We explain what an Exceptional Event is in clause 29 – "Exceptional Events".
- 19.3 If we do not accept your order, complete/execute your order, or cancel your order, we will inform you by making that information available on our trading platform, unless there is a legal reason that we cannot provide this information to you. If we charged you a fee as part of the order, we will refund that money back into your eToro account. If there were no fees or charges, then you will not receive a refund.
- 19.4 If we have executed your order, and therefore a transaction has occurred, we may take corrective actions and either modify the transaction, or void the transaction, under the scenarios listed in clause 19.2 above. We will inform you of errors by making information available on our trading platform, including any corrective actions we intend to take.
- 19.5 We will not be responsible for any losses you incur as a result of any actions or inactions taken by us in accordance with this clause 19 – "Entering into transactions – Modifying your order, cancelling your order, or us not accepting your order".
20. **Transactions records**
- 20.1 Information about your trading activities, which includes records of the trades that you've concluded, your open positions, margin, cash balances as well as other information about your trades and orders, is available online in your eToro account (we call this the "**Account Information**"). Your eToro account will be updated no later than 24 hours after any activity takes place. You will be able to filter this information in different ways, for example on a per month basis. We are under no obligation to provide this information in hard copy or by email.
- 20.2 If you think there is a problem with your Account Information, please contact us as soon as possible and not later than 48 hours following the day on which the Account Information is posted. Otherwise, the Account Information will be conclusive evidence of your transactions, concluded trades, your open positions, margin, and cash balances.
- 20.3 We are required to keep your records, including the Account Information, for at least five years after your eToro account is closed. This period may be extended by Applicable Law or agreement between us in writing. These records will be our sole property.
21. **Fees and costs**
- 21.1 We will charge you a fee for each order we execute for you. This is called a "**spread**". A spread is the difference in the sell and the buy price. The spread is different for each type of product and Service and can be found on our website. We will estimate the total amount of spread that applies each time you place an order. We cannot provide you with an exact amount because the spread may change between the time you make an order, and the time we execute your order.
- 21.2 The spreads which we charge can change due to market conditions. For example, there may be instances when market conditions cause spreads to widen beyond the typical spreads displayed on our website and/or platform.

- 21.3 We may charge you a fee when you put money in, or take money out of your eToro account, as detailed in clause 14 – "How to pay money into, and take money out of, your eToro account", and includes:
- (a) if you pay money into your eToro account and your payment method charges us a fee, for example a payment transfer or a payment processing fee, we may charge you a transfer fee;
 - (b) if we return any money which comes in from a payment method that is not in your name and we are charged a fee for returning your money, we will deduct an amount equal to that fee from the money which we are returning;
 - (c) if you withdraw money from your eToro account, we may charge you a fee; and
 - (d) if we need to convert your money into US Dollars, we will charge you a fee.
- 21.4 We may also charge you a monthly inactivity fee, where there has been no trading activity on your eToro account for at least 12 months. Our inactivity fee is available on our website.
- 21.5 The above fees will apply to all of our Services. However, for specific Services, other fees may also apply. For example, if you trade CFDs, we may also charge you an overnight fee (please read Schedule A –Trading CFDs for more information). Additionally, if you trade cryptoassets, we may charge you a transfer fee, and/or a blockchain fee (please read Schedule C – Trading Cryptoassets for more information).
- 21.6 For more information of the commissions, charges, fees and costs that apply to our Services, please read the Schedule that applies to the Service that you use as well as our website at <http://www.etoro.com/en/customer-service/fees/>. We may update our commissions, charges, fees and costs from time to time. It is your responsibility to keep up to date with any changes, and to be aware of the commissions, charges, fees and costs that apply to your trades and the Services that you use.
- 21.7 You acknowledge that all amounts due to us shall be deducted from your eToro account balance.

22. **Recording your communication with us**

You agree that we may record any telephone, email and chat conversations with you, as well as any other forms of communications, activities, and transactions, between you and us, and that the recordings may be used as evidence in any proceedings relating to our Agreement with you, any order you place, and/or trades executed. These records will be our sole property.

23. **Rules of trading**

- 23.1 There are rules which you need to follow when using our Services. These are:
- (a) you must not reverse engineer or avoid any security measures on the trading platform;
 - (b) you must not use any software, artificial intelligence, ultra-high speed, or mass data entry which might manipulate, game, abuse, or give you an unfair advantage when using our systems or Services;
 - (c) you will not enter into trades which manipulate our platform, for example entering into a buy trade as well as a sell trade, for the same or for a similar product, at the same or similar time;
 - (d) you will not enter into transactions or combinations of transactions such as holding long and short positions in the same or similar instruments at similar times either by you or by you acting in concert with others, including between connected accounts, or accounts held with different entities within the eToro Group, which, taken together or separately, are for the purpose of manipulating the eToro trading platform for gain;
 - (e) you will not act in an unfair, abusive, manipulative, or illegal way when using our Services, for example scalping;
 - (f) you will not enter into trades aimed at exploiting errors in prices and/or conclude trades at off-market prices; and/or

- (g) your order must not violate exchange rules or securities or commodities laws, regulations or rules, and/or be intended to defraud or manipulate the market.
- 23.2 If you make money by breaching the above rules, we may not pay that money to you or, if we have paid that money, we may deduct it from your eToro account.
- 23.3 If you breach any of the above rules we will record such breach. We may also cancel your orders, freeze, block and/or terminate our Services, your eToro account, and/or our Agreement with you. We may, but are not required to, give you notice of this, subject to any Applicable Law.
24. **The eToro Community and information on the eToro platform**
- 24.1 When you open an eToro account, you will have access to the "**eToro Community**", a place where eToro traders can share information with each other and with us. You will also have access to information which we make available on the eToro platform.
- Content which you post on the eToro Community*
- 24.2 When you post content on the eToro Community you will need to follow the "**Community Guidelines**" which is available on our website. The Community Guidelines tell you the type of posts that are allowed and are not allowed.
- 24.3 In addition to the Community Guidelines:
- (a) you must make sure that all content you post belongs to you or that you have a right to post that information and that you do not violate the privacy rights, publicity rights, copyright, contract rights or any other rights of any individual or make derogatory remarks regarding, defame or otherwise criticize any person or entity. You shall be liable for any damage resulting from any infringement or other violation of the copyright, trademarks or other proprietary rights of any individual or entity, and for any other harm or losses resulting from any content that you post;
 - (b) you must not post any personal or security information about yourself, your eToro account, or about anyone else or their eToro account, and you must not try to obtain the personal or security information of someone else;
 - (c) you must not provide investment advice, portfolio management services or any other type of service which requires you to be authorised by a regulator;
 - (d) you must not post that eToro Europe or anyone in the eToro Group endorse or warrant your content;
 - (e) you must not advertise or promote another business or service, or any type of commercial content including spam; and
 - (f) you must not post anything which is abusive, inciteful, defamatory, harassing, insulting, sexually explicit, offensive, racist, rude, hateful, threatening, violent, or illegal.
- 24.4 We may review and monitor your activity and posts on the eToro Community. If you breach any of the above rules or the Community Guidelines, we will record such breach and we will remove the post without telling you. We may also block your eToro account, or terminate our Agreement with you - we will tell you when we do this. We may also be required by Applicable Law to tell regulators or government authorities about a breach, and help them in any investigation about a breach.
- 24.5 By posting content on the eToro Community, you specifically grant us a non-exclusive, irrevocable, transferable, sub-licensable, royalty-free, worldwide license to use, copy, duplicate store, present and/or publish all or any part of your content, and we shall be free to use such content, in any manner or media whatsoever, on an unrestricted basis and without any attribution or royalties or other compensation to you, including without limitation, our website, advertisements, in printed media, and in newspapers.

Content which we post, or which another trader posts, on the eToro Community or make available on the eToro platform

- 24.6 You should not make investment decisions based on information provided by individual traders (who may be anonymous or unidentifiable), such as details of the trades they make or any opinions expressed by them on the eToro platform. Content on eToro's social trading platform which is generated by members of the eToro Community does not contain advice or recommendations or endorsements by or on behalf of any eToro Group entity.
- 24.7 We may post information such as news, headlines, graphs, links to other websites, newsletters or information from other people, market prices for different products in real time or on a delayed basis, opening and closing market prices and ranges on third party exchanges, the highest and lowest market price on third party exchanges, the estimated and actual market volumes and the size, number and existence of current market bids and offers on a given day, on third party exchanges (we call this "**Market Data**").
- 24.8 Market Data may be produced by an exchange or another third party (for example information service providers which are not exchanges) which we pass on to you. In this scenario the Market Data belongs to the exchange or the third party (as applicable) and you agree to (a) comply with all the laws, rules and regulations applicable to access or using the Market Data; (b) using the Market Data only for your own trading purposes; and (c) cease any use of Market Data upon termination of this Agreement for any reason. We will enter into appropriate agreements with the relevant exchanges on your behalf relating to the proper use of your Market Data.
- 24.9 We, or the relevant exchanges, or the relevant third parties, which provide Market Data, do not guarantee that the Market Data we provide is always accurate, correct, or up to date although we will take reasonable steps to ensure that it is. Importantly, Market Data is not financial advice and we are not responsible or liable for any action which you take or do not take based on such Market Data. If you want to use the information to help you with your own investment decisions, you do this at your own risk.
- 24.10 You must not share information which we have posted outside of the eToro Community. In particular you should not redistribute the prices we make available to you to any other person whether such redistribution be for commercial or other purposes.

PART 3 – OUR RIGHTS AND YOUR RIGHTS IN SPECIAL CIRCUMSTANCES

25. Responsibility for loss

25.1 Subject to clause 25.2 below, eToro Europe and its employees, agents, delegates or associates will not be liable for any:

- (a) action or inaction we take in accordance with our rights under this Agreement, including under clause 19 – "Entering into transactions – Modifying your order, cancelling your order, or us not accepting your order", clause 27- "Right of set-off, liens, and equitable charges", clause 28 – "Event of Default", and clause 29 – "Exceptional Events";
- (b) event due to circumstances beyond our control including, any "**Exceptional Event**" occurring, as defined in clause 29 – "Exceptional Events";
- (c) action taken by any government or regulatory body, legal authority, technical delays, technological malfunction, loss of data and records, destruction of hardware;
- (d) action taken by us as a result of a breach of the Agreement by you;
- (e) act or omission of any third party including for any information provided by a third party;
- (f) action taken by us as a result of Applicable Law;
- (g) damage, costs, loss, liability, claims for compensation, or expense incurred or suffered by you, directly or indirectly under or in connection with this Agreement;
- (h) damage, costs, loss, liability, claims for compensation, or expense incurred or suffered by you, directly or indirectly, under or in connection with trading on a digital platform as set out in clauses 5.6 or 5.7 above, and 25.3 and 33.6 below; and
- (i) damage, costs, loss, liability, claims for compensation, or expense incurred or suffered by you, directly or indirectly, under or in connection with any planned or essential maintenance to our systems, which includes the eToro trading platform.

25.2 Notwithstanding the above:

- (a) we be liable for your losses only to the extent your loss is due to our gross negligence, wilful default, and/or fraud; and
- (b) nothing in this Agreement shall exclude or limit our liability or responsibility to you for any liability that cannot be excluded or limited under Applicable Law.

25.3 The Services, our platform, and the information we provide in the eToro Community and on our platform, are provided "**as is**" and "**as available**", without any representation or warranty of any kind, including that it will be without interruption, error free, or will meet your individual requirements, or compatible with your hardware or software, except as otherwise set out in this Agreement.

26. Closing or blocking access to your eToro account and/or Services

26.1 You can close your eToro account at any time by sending us an email. Your eToro account will be closed within the seven days after we receive your email. You may also close your eToro account via the settings section of our platform.

26.2 We will execute as well as close (as applicable) any orders which you have placed before requesting to close your account in accordance with clause 26.1 above. We may, in our discretion, permit you to place new orders during the seven-day period, and will subsequently execute and/or close (as applicable) such orders before the seven-day period expires. You will need to pay the associated fees for any orders which we execute or close.

26.3 If you have trades which are open, you should close these trades. Otherwise, we will close all of your trades when we close your eToro account. If this causes you to lose money, we will not be responsible.

- 26.5 We may also freeze, block, or terminate our Services and/or your eToro account if:
- (a) we decide to stop providing you with Services;
 - (b) we require you to provide us with information under clause 12 – "How to open, and maintain your eToro account", and/or clause 38 – "Regulatory reporting", to enable us to comply with our obligations under Applicable Law and/or internal procedures, and you cannot or do not provide us with the information, or the information you provide to us is inaccurate, incomplete or misleading;
 - (c) you breach the rules of trading. We explain our rules of trading in clause 23- "Rules of trading";
 - (d) an "**Event of Default**" occurs. We explain what an Event of Default is in clause 28 – "Event of Default"; and/or
 - (e) an "**Exceptional Event**" occurs. We explain what an Exceptional Event is in clause 29 – "Exceptional Events".
- 26.6 We will take reasonable steps to provide you with appropriate notice if we freeze, block, or terminate our Services and/or your eToro account. However, there might be times when we are required to freeze, block, or terminate our Services and/or your eToro account without telling you in advance. We will do this if we reasonably believe that there is a security or regulatory risk, you have breached the Agreement, there is an Exceptional Event, we are required to do so by Applicable Law or by a regulator, and/or there is an application, order, resolution or another announcement in relation to a winding up/bankruptcy in which you are involved.
27. **Right of set-off, liens, and equitable charges**
- 27.1 To the extent permitted under Applicable Law, we have the right to deduct (or set-off) any money or liability that you owe us from the money in your eToro account, and/or to close your open positions, whether at a loss or at a profit and subsequently liquidate your eToro account for the liability payable by you. If you have more than one eToro account, we have the right to set-off any money or liability that you owe us under one eToro account, from the money available in your other eToro accounts, or from the proceeds of the sale of products that we hold for you in your other eToro accounts.
- 27.2 To the extent permitted under Applicable Law, we shall have a general lien and equitable charge on the products that we hold for you and the money in your eToro account, until any money, fees, charges and liabilities that you owe to us is paid. Your money will continue to be treated as client money, and your assets will continue to be treated as client assets, in accordance with these Terms and Conditions and any applicable Schedules and CySEC rules, until the point in time where there is an "**Event of Default**", and where we subsequently decide to exercise our rights under the general lien and/or equitable charge. An Event of Default is defined in clause 28 – "Event of Default" below.
28. **Event of Default**
- 28.1 Each of the following will be an "**Event of Default**":
- (a) you fail to pay us within seven days, any fees, charges, and/or liabilities on your eToro account, where we have requested such payments;
 - (b) you enter into liquidation or bankruptcy, whether compulsorily or voluntarily, or a procedure is commenced against you seeking or proposing liquidation or bankruptcy, or you are generally unable to pay your debts as they become due (or you confirm so in writing);
 - (c) you become subject to an administration order or have a receiver or similar appointment or order are made or proceedings commenced in respect of any of your assets;
 - (d) we consider it reasonably necessary to prevent what we reasonably consider to be or might be a violation of any Applicable Law (including but not limited to, market abuse, gaming the system, or scalping);
 - (e) you, or we reasonably believe that you are in material breach of any term of the Agreement, including any material misrepresentation to us; and/or

- (f) you have, or we reasonably believe that you have, acted in an unfair or abusive manner, for example, by breaching the rules of trading set out in clause 23 – "Rules of trading".
- 28.2 If an Event of Default occurs, unless otherwise prescribed by Applicable Law, we may, in our absolute discretion, at any time and without prior notice, take one or more of the following steps:
- (a) close out all or any of your open position at current market prices;
 - (b) exercise the lien or charge that we have on the products that we hold for you and the money in your eToro account; and/or
 - (c) close your eToro account.
29. **Exceptional Events**
- 29.1 An "**Exceptional Event**" includes:
- (a) any fire, strike, riot, civil unrest, terrorist act, war or industrial action;
 - (b) any natural disaster such as floods, tornadoes, earthquakes and hurricanes;
 - (c) any epidemic, pandemic or public health emergency of national or international concern;
 - (d) any act or regulation made by a government, supra national body or authority that we believe stops us from maintaining an orderly market in relation the instruments traded on the trading platform;
 - (e) the suspension or closure of any exchange;
 - (f) the nationalisation of any exchange by a government;
 - (g) the imposition of limits or unusual terms by a government on any instrument and/or its derivative traded on our platform;
 - (h) the abandonment or failure of any instrument that we use to make our quotes;
 - (i) excessive changes to the price, supply or demand of any product. We may also call an Exception Event where we anticipate this change (within reason);
 - (j) technical failures in transmission, communication or computer facilities including power failures and electronic or equipment failures;
 - (k) the failure of any supplier, intermediate broker, agent, principal custodian, sub-custodian, dealer, exchange, clearing house or regulatory organisation to perform its obligations to us;
 - (l) liquidity providers not providing, or being unable to provide liquidity to us. Liquidity describes the degree to which a product can be quickly bought or sold at a price reflecting its appropriate value; and/or
 - (m) an event which significantly disrupts the market, which could include (but is not limited to) the premature close of trading in the market of a product, excessive movements in the price, supply or demand of a product, whether regulated or unregulated, that our Services relate to.
- 29.2 If an Exceptional Event happens, the availability and speed of our service, including our platform, website, our execution of your order, the availability of the different functionalities which we may provide as part of our Services including instructions which you may give in respect of a trade, as well as any of our obligations under this Agreement may be delayed, may not be available, or may not be carried out. We will not be liable to you for any losses which you incur as a result.

- 29.3 If we think, in our reasonable opinion, that an Exceptional Event has occurred or is occurring, we may make the following changes to your eToro account without telling you:
- (a) change your margin requirements which might mean that you may have to provide more margin (we explain what margin is in Schedule A – Trading CFDs);
 - (b) limit the availability of instructions that you can give in respect of an order or trade;
 - (c) close your open transactions at a price that we reasonably think is proportionate;
 - (d) change the trading hours for a product; and
 - (e) cancel all open orders or trades which are affected by the exceptional event.

If you lose money as a result, we will not be liable to you.

29.4 We will use commercially reasonable efforts to resume normal performance of our Services after an Exceptional Event occurs.

29.5 We will tell you in writing as soon as possible that an Exceptional Event has occurred.

30. **Acknowledgements, representations and warranties**

30.1 You acknowledge, represent and warrant that:

- (a) you are over 18 years old, and have capacity to enter into this Agreement;
- (b) you are eligible to enter a legally binding agreement with us in accordance with the laws governing the jurisdiction applicable to you.
- (c) you are solely and completely responsible for your own compliance with Applicable Law in your jurisdiction including, without limitation, to all exchange control restrictions that may be applicable to you and that you have obtained any necessary exchange control approval;
- (d) you have all necessary consent and the authority to enter into this Agreement and /or use the Services;
- (e) if you are a body corporate, unincorporated association, trust or partnership you are validly existing in accordance with Applicable Law and have obtained all necessary consent and authorisations under your constitutional or organisational documents;
- (f) except where we have agreed otherwise in writing, you act on your own behalf and not as the agent, attorney, trustee or representative of any other person;
- (g) all information and documents that you supply is true, accurate, complete and not misleading;
- (h) you are not an employee of any exchange, a corporation in which any exchange owns a majority capital stock, a member of any exchange and/or firm registered on any exchange or any bank, trust or insurance company that trades in CFDs and/or the underlying assets held by you;
- (i) our assessment of your use of the Services is performed on the basis of the information and documents provided by you and we may rely upon information and documents provided by you and we are not responsible for any damages or losses which may arise from any inaccuracies;
- (j) you will only access and use our Services for your own personal benefit;
- (k) neither the entry into this Agreement, or use of the Services, or the giving of any other instruction will violate any law, rule, or regulation applicable to you;
- (l) all money that you use and invest through the Services do not originate in any way from drug trafficking, abduction, terrorist activity or any other criminal activity that is unlawful or could be considered unlawful by any relevant authority;

- (m) you have not and will not upload or transmit any malicious code to the eToro platform or otherwise use any electronic device, software, algorithm, and/or dealing method or strategy that aims to manipulate any aspect of the eToro platform or the Services; and
- (n) you will use the Services offered by us pursuant to this Agreement honestly, fairly and in good faith.

30.2 If you breach any warranty or representation made under this Agreement, we may close any orders or trades that you have made, and/or close or freeze your eToro account. You will also may be required to fully indemnify us due to any contraventions by you of Applicable Law.

PART 4 – GENERAL LEGAL TERMS

31. Bereavement

If you die or become incapacitated and your legal heirs or representatives want to withdraw any remaining balance in your eToro account, they must provide us with official duly-authenticated legal documents from the applicable authorities in the relevant jurisdictions. We will only allow your legal heirs or the representatives to withdraw your money after we check such documents, and are satisfied that he / she has the authority to do this.

32. Assignment and novation

32.1 We may assign, transfer and/or novate these Terms and Conditions and/or any of our rights and/or obligations to another appropriately regulated firm. We will tell you 15 days in advance if we do this. We will use reasonable endeavours to ensure that your rights under the assignment and/or novation will be similar to your rights under the Terms and Conditions and Schedules with us. We will treat you continuing to use the Services as you agreeing to the assignment and novation, but you can cancel your eToro account with us at any time.

32.2 You may not assign, transfer, and/or novate these Terms and Conditions and/or any of your rights and/or obligations to another person, whether by operation of law or otherwise, or whether on a permanent or temporary basis without our prior written agreement.

33. Changing the Terms and Conditions and/or our Services

33.1 Our customer support team are not authorised to amend or waive any term in these Terms and Conditions.

33.2 We may make changes to these Terms and Conditions from time to time. For example, we might need to add new terms, or amend existing terms to reflect changes in:

- (a) our business, Services or products or how we provide them;
- (b) the systems we use; and/or
- (c) Applicable Law or regulation or industry recommendations.

We may also make changes for reasons not set out here.

33.3 If we add a new term or change an existing term in these Terms and Conditions, we will take reasonable steps to provide you with appropriate notice, including via our website. You will be deemed to accept and agree to the changes if you continue to use the Services after the publication of any changes. We will treat you continuing to use our Services as you agreeing to the changes, but you can cancel your eToro account with us at any time.

33.4 There might be times when we don't tell you about a change to these Terms and Conditions, for example, if a change does not disadvantage you.

33.5 A copy of the most up to date version of these Terms and Conditions are available on our website.

33.6 We may modify, suspend or discontinue, temporarily or permanently, all or any part of our Services with or without notice. We reserve the right, at any time and for any reason, to discontinue, redesign, modify, enhance, change, patch the software, the eToro platform, and/or the Services, including without limitation, the structure, specifications, 'look and feel', navigation, features and other elements of the software and/or the Services or any part thereof. You agree that we will not be liable to you or to any third party (for whom you may be acting) for any modification, suspension or discontinuance of all or any part of our Services.

34. Severability

If any court or relevant authority finds any part of these Terms and Conditions to be invalid or unenforceable, the remaining parts of the Terms and Conditions and Schedules will remain in full force and effect.

35. **Intellectual property**

- 35.1 All content included in or made available through the Services, including but not limited to all copyright, trademarks, patents, service marks, domain names, trade names, rights in designs, software code, icons, logos, characters, layouts, rights in know-how, trade secrets, buttons, colour scheme, graphics and other intellectual property rights ("**IP**") is the property of eToro Europe, its affiliates or its licensors and is protected by local and international intellectual property laws and treaties.
- 35.2 Subject to the terms and conditions of this Agreement, we hereby grant you a limited licence to install and use the eToro platform, solely for your personal use and benefit in accordance with the terms of this Agreement.
- 35.3 You may not, without our prior written consent or except where granted under these Terms and Conditions:
- (a) modify, copy, display, distribute or commercially exploit any IP or materials (including text, video, audio or user interface design) in the content of any of the Services, including in the trading platform;
 - (b) remove any proprietary notices from any IP;
 - (c) attempt to derive any source code for the trading platform; and
 - (d) attempt to disable, bypass, modify, defeat, or otherwise circumvent any protection system applied to or used as part of the Services.
- 35.4 The use of the Services does not grant you any rights other than those granted to you under these Terms and Conditions. Nothing contained on our websites or any communications to you shall be construed as granting, by implication or otherwise, any licence or right to use any IP without our prior written consent.
- 35.5 If you create a hyperlink to one or more of our websites, the hyperlink and context in which it is used may not, without our prior written consent, suggest an endorsement, sponsorship or affiliation with eToro Europe, its affiliates or Services, and may not make use of any of our IP other than that contained within the text of the hyperlink.
- 35.6 You agree to:
- (a) use all your efforts to protect our IP from being infringed by you;
 - (b) not knowingly or recklessly encourage or assist any third parties to infringe our IP; and
 - (c) immediately notify us if you become aware of any violation or suspected violation of our IP, or where our IP is being used in a manner not authorised by these Terms and Conditions.
- 35.7 If any third party software is included within the eToro platform, then such third party software shall be provided subject to the terms of this Agreement. You shall fully comply with the terms of any third party software licences that we provide you with from time to time. Please note we do not provide support for third party software or information provided thereon.
- 35.8 Should this Agreement be terminated for any reason, your license will be revoked and you must cease using the eToro platform, as well as any third party software which is included within the eToro platform.
- 35.9 Please inform us in writing if you encounter any problems with the eToro platform, or have any suggestions for modifications and improvements. We may make modifications to the eToro platform based upon your suggestions, but are not required to do so. Any modifications and improvements made to the eToro platform based on your feedback shall be our and our licensors' sole property.

36. **Personal data and privacy**

- 36.1 We are committed to handling information about you responsibly. By entering into this Agreement, you agree that you have been provided with a copy of our Privacy Notice, which is also available on our website. We will use your personal data as set out in our Privacy Notice, if you have any questions about the way in which we use your personal data you can contact us at privacy@etoro.com as well as set out in the Privacy Notice.
- 36.2 When you open an eToro account, your username, your name, your picture/avatar (if provided), list of users who follow you, users who copy you, list of users you follow or copy, and any status/posts/blogs and any other content which you post on the eToro Community can be seen by other traders. You can control who sees this information by managing your privacy settings in your eToro account.
- 36.3 If you use one of our applications provided via social networks (such as Facebook, Twitter, G+ etc.), our application will have access to your social network account general information which includes your name and username in such social network, profile picture, and any other information you have shared with 'everyone' on the relevant social network. Additional information may be collected in specific social networks campaigns which will be specified in the terms and conditions applicable to such campaign.
- 36.4 We and our affiliates and agents may collect, store and process information from you or otherwise in connection with the Services for the purpose of complying with Applicable Law and/or regulation, including disclosures to governmental authorities. To comply with our legal or regulatory obligations we may transfer your personal data outside of the EEA. For further information about transfers of your personal data outside of the EEA, please see our Privacy Notice.

37. **Marketing and promotions**

- 37.1 All promotions which we offer will have specific terms and conditions which apply to that promotion. We can change, or stop providing a promotion, in accordance with the terms and conditions of that promotion. Any benefit which is part of a promotion will only apply once per eToro account, person, household and/or any environment where computers are shared.

38. **Regulatory reporting and disclosures**

- 38.1 In the case of a limit order in shares admitted to trading on a regulated market which are not immediately executed, you expressly consent to eToro not facilitating the earliest possible execution of that order by making it public in an easily accessible manner.
- 38.2 Where we are subject to reporting obligations under Article 9 of European Market Infrastructure Regulation No. 648/2012 on derivatives and all related delegated, supplementing or successive regulations EMIR, as amended ("**EMIR**") and under applicable CySEC rules, we have delegated certain reporting functions to a third party processor. In addition, you agree and instruct us to perform delegated reporting services for you, as we see fit, in accordance with EMIR. You agree to provide us information which we request to enable us to comply with our obligations under EMIR.
- 38.3 Where we are subject to report details of transactions and details about you to a regulator, pursuant to Regulation No. 600/2014 ("**MIFIR**"), also known as "**transaction reporting**", you agree to provide us information which we request to enable us to comply with our obligations.
- 38.4 The parties hereby expressly consent to the transfer of information to the extent required in order to comply with the reporting obligation in accordance with Article 9 EMIR and the applicable CySEC Rules. Such transfer of information will entail the disclosure of transaction data, including the portfolio data, the value determined for the transactions, collateral posted and the identity of the parties. The disclosure shall be made to a trade repository, European Securities and Markets Authority ("**ESMA**") and/or a delegated third party processor. The trade repository or ESMA may pass such information to national supervisory authorities in countries where the data privacy laws do not afford the same protection as provided in the Republic of Cyprus.
- 38.5 We will not assist you with any reporting obligations which you are required to carry out under Applicable Law. This includes, but is not limited to regulatory reporting, tax reporting, the reporting of the receipt or the payment of specific currencies.

39. **Taxation**

All amounts extracted from your account are gross amounts, meaning that we have not collected, deducted, or paid any taxes for you or on your behalf. It is your responsibility to calculate and pay all applicable taxes that you owe as a result of your trading activity on the eToro platform. However, we may withhold and deduct at source any taxes due under Applicable Law at our sole discretion. You will have no claim against eToro Europe where we have made such a deduction. Where necessary, we or our affiliates will deduct and report tax deduction on an aggregate basis with respect to all our clients. To the extent you require us to issue your personal report specifying the taxes withheld at source on your behalf, we may debit your account with our cost and expenses in connection with the preparation and filing of said reports including any re-submissions and late charges.

40. **Rights of third parties**

A third party will not be able to benefit from or enforce a term of these Terms and Conditions.

41. **Applicable Law and regulation**

41.1 These Terms and Conditions and any orders and trades are subject to all Applicable Law and regulation, including (but not limited to), the CySEC rules, articles, by-laws, rules, regulations, policies, procedures and interpretations of any relevant exchanges, markets and clearing houses in which we may elect to hedge any trades; and any other applicable regulatory, self-regulatory or governmental authority requirements ("**Applicable Law**").

41.2 We will not be liable to you for any action, inaction, decision or ruling made pursuant to Applicable Law. We may also take or omit any action that we consider reasonable to comply with Applicable Law.

41.3 Any reference to a person in these Terms and Conditions shall include bodies corporate, unincorporated associations, trusts, partnerships and individuals.

42. **Governing law and jurisdiction**

The laws of Cyprus apply to these Terms and Conditions and Schedules between you and us. Any claim you make against us can be heard in the courts in Limassol, Cyprus.

SCHEDULE A – TRADING CFDS

This Schedule A sets out the specific terms that will apply to you when you trade CFDs on the eToro platform. The terms in this Schedule A apply to you **in addition** to the General Terms and Conditions, which apply to all of our services and not just to CFD trading. Capitalised words in this Schedule A will have the same meaning which are given to those word in the General Terms and Conditions. If a term of this Schedule A conflicts with or differs from a term in the General Terms and Conditions, this Schedule A will apply.

1. What is CFD trading?

1.1 A contract for difference ("**CFD**") is a financial product which allows you to trade on the price movements of an underlying product for example shares, forex, indices, commodities, or cryptoassets. When you trade a CFD, you are agreeing to exchange the difference in the price of an underlying product from the point in time when your position is opened to when it is closed.

2. Our CFD trading service

2.1 We may act as principal or on a matched principal basis when providing you with the CFD Trading Services. This means we will be the counterparty to your trades.

2.2 Where you buy and sell complex products, such as CFDs, we are required to assess the appropriateness of the product by taking into account your trading knowledge and experience ("**Appropriateness Assessment**"). Please refer to clause 30 of the General Terms and Conditions for more information on how we carry out the Appropriateness Assessment.

2.3 If we have assessed that our CFD trading service is not appropriate for you, we will either:

- (a) provide you with an appropriate warning, after which you may decide to continue at your own risk; or
- (b) block the CFD trading functionality on your account, so that you will not be able to trade CFDs on the eToro platform.

2.4 We allow you to trade CFDs using leverage. Trading with leverage means you can make money quickly, but you can also lose money quickly. You can find out more about what leverage is, the risks of trading CFDs, and the risks of leverage in paragraph 4 - "The key risks of CFD trading", paragraph 7 - "Using leverage and margin", the General Risk Disclosure, and on our website.

2.5 If you are a retail client, we will make sure that you do not lose more money than what you have deposited into your account when you trade CFDs, as required under any Applicable Law. This is called "**negative balance protection**".

2.6 Additionally, if you are a French resident, we will make sure that you do not lose more money than what you have deposited for a CFD trade, as required under any Applicable Law.

3. Limitations to our CFD trading service

When you trade a CFD, you will have an economic exposure to the underlying product of the CFD, but you will not have legal ownership of any underlying products. For example, if you trade a CFD over shares, you will not have the rights which legal owners have, such as voting rights or rights to dividends. However, we may carry out adjustments if a "**corporate event**" occurs. Please see paragraph 11- "Corporate events" below for more information.

4. The key risks of CFD trading

4.1 CFDs are complex derivative products and come with a high risk of losing money quickly due to leverage. Trading with leverage magnifies your gains and losses, so small price changes in the underlying product can result in large losses or gains. It is therefore possible that you may lose more than your deposit in a trade. We provide more information on leverage in paragraph 7 - "Using leverage and margin".

4.2 The underlying assets of CFDs are often made up of equities, foreign exchange, commodities, cryptoassets and similar products. The markets of these products can be volatile, which means the prices of the products can change rapidly, and are therefore unpredictable.

- 4.3 You should only trade CFDs if:
- (a) you have sufficient and relevant knowledge about or experience in, trading in volatile markets;
 - (b) you have time to manage your transactions on an active basis;
 - (c) you fully understand how CFDs work (including all associated risks and costs), are aware that the use of margin or leverage creates greater risks,
 - (d) you understand that there are situations where we will be able to close out your transactions without giving you notice;
 - (e) you are trading with money you can afford to lose;
 - (f) you have a high-risk tolerance; and
 - (g) you want to gain short term exposure to a product/market.

4.4 You should ensure you fully understand the risks involved before using our Services and, if required, take appropriate investment, financial, legal, tax and other necessary professional, independent advice. More information on the risks associated with trading CFDs is set out in our Risk Warning Disclosures. You should read this document and fully understand the risks before entering into this Agreement.

4.5 Please refer to clause 5 of the General Terms and Conditions, the General Risk Disclosure, our website for more information on the key risks of using our services.

5. **Best Execution**

We are bound to comply with our Best Execution and Order Handling Policy when executing your trades. Please refer to clause 6 of the General Terms and Conditions for information on how we comply with our best execution obligations to you.

6. **Conflicts of interest**

6.1 We are required to act in your best interest when providing our services. However, there may be instances where your interest conflicts with our interests, or with another client's interest. For example, with respect to CFD trading:

- (a) we set both the sell price and the buy price of CFDs, both of which are quoted on our platform; and
- (b) when you enter into a CFD transaction, we may or may not purchase or sell the underlying product. If we buy the underlying product, we may have rights, for example voting rights if we are a shareholder, which we can exercise without notifying you.

6.2 Please refer to clause 7 of the General Terms and Conditions for more information on the conflicts of interest that may apply to our services.

7. **Using leverage and margin**

7.1 We allow you to trade CFDs using leverage. Leverage is a form of borrowing which allows you to deposit only a part of the cost of your transaction upfront. This deposit is called "**margin**" and is used by us as security against any potential losses you may incur. The more leverage you use, the less margin you need. Money being used as margin cannot be taken out of your account.

7.2 Different amounts of leverage apply to different underlying products. Applicable Law sets maximum leverage amounts, but we can decrease the leverage we offer at any time. The amount of leverage which you can access at a particular point in time can be viewed on our website.

- 7.3 If you are a retail client, we are required by law to limit the amount of leverage that you can apply to certain transactions and set a minimum margin requirement. Professional clients will not be subject to these restrictions. The nature of these restrictions will depend on where you are resident, and are likely to vary depending on the underlying asset that you are trading. Where transactions were executed with a leverage or margin that is no longer permitted in the country where you live, we may close any or all of your open positions without further notice to you and we may also close your eToro account. This may result in a profit or a loss to you.
- 7.4 We will calculate your margin on a position by position basis. The money available as margin on a position, cannot equal less than 50% of the money that you might lose on that open position at any time. Where you do not have enough margin available, we may require additional margin to secure your trades. The amount of money that you must have available as a margin can be viewed on our website.
- 7.5 It is your responsibility to monitor the money in your account against your potential losses, the margin required, and whether your position is close to your stop level, as we will not notify you when this happens. If you do not have enough money in your eToro account to meet the margin requirement on a certain position, you should:
- (a) close your open position to stop you losing more money;
 - (b) partially close your positions; and/or
 - (c) adjust your stop levels. The ability to adjust your stop levels is subject to you having the appropriate funds in your account.

Unless you carry out one or more of the above steps, your trade will be closed irrespective of the total money available in your eToro account or the performance and balance of your other open positions.

- 7.6 We may change our margin requirements and leverage ratio at any time, at our sole discretion, including in order to comply with Applicable Law. One margin demand does not preclude another. Any amount needed to meet the new requirements must be satisfied in the currency we specify. The adjustment should be made immediately unless we specify a future date and/or time by which the adjustment must be made.

8. **Placing an order**

Please refer to clause 18 of the General Terms and Conditions for information on how you may place an order and provide trading instructions on the eToro platform.

9. **Closing your orders automatically**

- 9.1 We may close your orders where you have placed a stop loss on your CFD trade, and the stop price has been reached.
- 9.2 We may close your orders and trades where you do not have the required margin in your account or you do not meet the margin requirements, as described in paragraph 7.1 above. We may do this without further notice to you, and you may make a profit or a loss as a result.
- 9.3 We may also close your orders in special circumstances, as described in paragraph 10.2 – "Corporate events" below.
- 9.4 Please also refer to clause 19 of the General Terms and Conditions for information on other situations in which we may close your orders.

10. **Fees and costs**

- 10.1 Please refer to clause 21 of the General Terms and Conditions for information on the fees and costs which apply to all transactions on the eToro platform.

10.2 As detailed on our website and in clause 21 of the General Terms and Conditions, where you trade CFDs, we will charge or credit your account with an overnight fee/credit each time you keep a position open after trading hours, including on public and bank holidays. If you keep your position over the weekend, we will charge/credit you for three nights for positions carried over. The overnight fee/credit will be taken/added out of the available balance in your eToro account. How the overnight fee/credit is calculated will be different depending on your underlying product, the amount of leverage being utilised, and whether you are entering into a buy or a sell trade. Our overnight fees/credits are subject to change and can be viewed on our website, and the overnight fee relevant to your order will also be displayed to you when you open a position and on our fees page.

11. **Corporate events**

11.1 A corporate event is something which will result in a change to the financial instruments. Examples of corporate events include share consolidations, share splits, reorganisations, mergers, take-over offers (and similar), name changes and rebranding, dividend distributions, and delistings.

11.2 If a corporate event impacts the underlying product of a CFD in your eToro account, we will use reasonable endeavours to adjust the open positions on that CFD, in a fair way and in accordance with market practice, and/or taking into account the treatment we may receive from our counterparties or any relevant third party and the deduction of any taxes applicable. The adjustments we carry out will depend on the circumstances of each event, and is according to our sole discretion, however we are not obliged to do this. Adjustments may include changing the price or the quantity of CFDs that you have in your account to reflect the economic rights that you had prior to the corporate event occurring.

11.3 If an issuer of a security goes into insolvency or is dissolved, we will close any open CFD positions where that security is the underlying product. The closing date shall be the date of insolvency. Any money from the sale will be paid into your eToro account. If you lose money as a result of the sale, we are not responsible for this.

11.4 We reserve the rights to close out any open positions at the market price immediately prior to the corporate event taking place.

11.5 Please refer to Part 3 of the Terms and Conditions for more information about our rights and your rights in special circumstances.

SCHEDULE B – INVESTING IN SECURITIES

This Schedule B sets out the specific terms that will apply to you when you invest in securities on the eToro platform. The terms in this Schedule B apply to you **in addition** to the General Terms and Conditions, which apply to all of our services and not just securities trading. Capitalised words in this Schedule B will have the same meaning which are given to those word in the General Terms and Conditions. If a term of this Schedule B conflicts with or differs from a term in the General Terms and Conditions, this Schedule B will apply.

1. **Our securities trading service**

- 1.1 You can buy and sell shares and units in exchanged traded funds ("**ETFs**") on our platform, as well as other securities that we may offer from time to time.
- 1.2 We may act as principal or on a matched principal basis when providing you with the securities trading services. This means we will be the counterparty to your trades.
- 1.3 This Schedule only applies to buy transactions made without leverage, including trades made in accordance with our copy trading service (both CopyTrader and CopyPortfolio transactions) which are indicated as such on the trading platform. Therefore, our security trading services are differentiated depending on type of position you enter into, which country you reside in, and the market where the security is traded. As a result, some particular types of trade involving securities may not be carried out through our securities trading service and will instead be carried out as CFD trades. We have included a full list of these trades and what alternative service will be used at Appendix 1 to this Schedule B. Your account statement will include an indication of the type of transaction.
- 1.4 Where you buy and sell non-complex products, for example, shares, we are not required to assess the appropriateness of the product or service that we provide to you and in such case, you will not benefit from the protection of the CySEC rules on assessing appropriateness.
- 1.5 Securities such as shares are held in custody. Please see paragraph 9 - "Custody" below for more information.
- 1.6 We may be required to give your details (including your email address) and details of your shareholding to the company registrars. By trading securities on our platform, you consent to us providing your identifying information to any requesting service provider of the company.

2. **Limitations to our securities trading service**

- 2.1 We may provide factual market information and information in relation to any securities at your request. However, we are not obliged to disclose such information to you and, if we do supply this information, it does not constitute investment advice.
- 2.2 We will not be liable to you for any act or omission of any such third-party including but not limited to information provided by such third-party, except where we have acted negligently, fraudulently or in wilful default in relation to the appointment of the third-party.
- 2.3 The eToro trading platform is not an exchange or a market. This means that you can only enter into trades and investments with us on the platform, and not third parties. Therefore, our services are limited to you buying a security on our platform, and selling that security on our platform. You will not be able to transfer the securities out of your eToro account, including for the purposes of selling that security on another platform or to another person.
- 2.4 We do not permit "**US persons**" (as defined by the Internal Revenue Service "**IRS**") to invest in securities on our platform. If we allow you to trade in securities and then identify you as a US person, we may close any open positions you may hold and then block or close your eToro account. We may also be required to deduct US withholding tax on income and gross proceeds from your investments in listed US securities on our platform.
- 2.5 If you are not a US person, we will ask you to sign a W-8BEN form before we accept an order from you to invest in shares which are listed in the US. If you have not previously provided us with a valid W-8BEN, and you already hold US shares, we will ask you to complete a W-8BEN. If you do not return the signed and completed W-8BEN form before the date we specify, we reserve the right to sell your US shares. You have an ongoing obligation to inform us if you are no longer eligible for W-8BEN status.

2.6 We will apply the default rate of taxes applied by the relevant tax authorities.

3. **The key risks of securities trading**

3.1 All financial products carry risk, and even trading non-complex products, such as securities, will have a degree of uncertainty. The securities markets can be volatile, which means the prices of the securities can change rapidly, and therefore are unpredictable, which means that securities dealing is not suitable for everyone.

3.2 You should ensure you fully understand the risks involved before using our Services and if required take appropriate investment, financial, legal, tax and other necessary professional, independent advice. More information on the risks associated with trading CFDs is set out in our Risk Warning Disclosures. You should read this document and fully understand the risks before entering into this Agreement.

3.3 Please refer to clause 5 of the General Terms and Conditions, the General Risk Disclosure, and our website for more information on the key risks of using our services.

4. **Best Execution**

Please refer to clause 6 of the General Terms and Conditions for information on how we comply with our best execution obligations to you.

5. **Conflicts of interest**

Please refer to clause 7 of the General Terms and Conditions for information on how we manage conflicts of interest that may apply to our services.

6. **Placing an order**

6.1 Please refer to clause 18 of the General Terms and Conditions for information on how you may place an order and provide trading instructions on the eToro platform.

6.2 We execute your orders as soon as reasonably practicable, but sometimes there will be a delay between when we receive your order and when we are able to execute it. Where a delay occurs, there may be a difference between the market price of the securities that you were quoted and the market price on the exchange, which may or may not be to your benefit. The exchange is not required to accept your order, and is not required to execute your order at the price that you were quoted.

6.3 Each order that you make is binding on you even where you have exceeded any limit on our platform, and you must pay any sums due on any transaction immediately once the transaction has been entered into.

6.4 You are responsible for monitoring your orders until they are confirmed or cancelled, as we may not provide you with explicit written notification. You should contact us immediately if you are unsure about the status of an order.

7. **Fees and costs**

7.1 Please refer to clause 21 of the General Terms and Conditions for information on the fees and costs which apply to all transactions on the eToro platform.

7.2 We may charge you for the provision by us to you of Market Data which relates to securities.

7.3 Additional charges may also be incurred by you in the case of delayed or failed settlement of a transaction. Any such amounts will be your responsibility and, where appropriate, will be deducted from your account.

8. **Settlement**

8.1 Your security investments will settle in accordance with local markets. This is generally on a T+2 basis.

- 8.2 If you invest in a security, the consideration for the transaction and all applicable fees, charges and taxes for that transaction will be deducted from your account at the time of execution of the transaction. The security will be available for sale on your account prior to settlement of the transaction and your account will reflect this. Should the transaction fail to settle, we may reverse the transaction, return any fees, charges and taxes for that transaction and amend your account to reflect the same.
- 8.3 In the event of our insolvency, you may not have title to the securities that you have bought on the eToro platform, where settlement has not yet occurred. This is the case even if the securities which you have bought are shown as available in your eToro account. In these circumstances, you will be entitled to the amount that you paid for the securities, which will form part of your client money. Please refer to clause 15 of the General Terms and Conditions for more information on client money.
- 8.4 We are not liable for any losses, costs or expenses that you suffer as a result of any delay or change in market conditions either before we execute an order or before a transaction settles.
9. **Custody**
- 9.1 You instruct us to arrange for any securities which you have bought on our platform to be held on your behalf until we receive further instruction from you to sell that security. This is called "**custody**", and means that we will be your "**custodian**". We will hold the securities on your behalf in accordance with the Applicable Law, or may arrange for the custody services to be provided by another company (this is called a "**sub-custodian**"). We are not liable for any acts, omissions, insolvency or dissolution of the sub-custodian, unless any losses which you incur have been caused by our fraud, wilful default or gross negligence.
- 9.2 When holding such securities on your behalf, we take measures to ensure their protection and for safeguarding your ownership rights, including:
- (a) keeping records and accounts enabling us at any time and without delay to distinguish assets held for you from assets held for any other client and from our own assets;
 - (b) maintaining our records and accounts in a way that ensures their accuracy and, in particular their correspondence to the securities held for you;
 - (c) conducting, on a regular basis, reconciliations between our internal accounts and records and those of sub-custodians; and
 - (d) taking steps to ensure that any securities deposited with a sub-custodian are identifiable separately from any of our assets or any of the sub-custodian's assets.
- 9.3 Detailed records of all your securities held by the custodian or sub-custodian will be kept by us at all times to show that your securities are held on your behalf, for your benefit and do not belong to the custodian or any sub-custodian.
- 9.4 We exercise all due skill, care and diligence during the selection, appointment and periodic monitoring of the sub-custodian and over the arrangements for the holding and safeguarding of the securities.
- 9.5 Where your securities are deposited for safekeeping with a sub-custodian, there may be instances, if this is required by the law of the country where the securities are held, that the sub-custodian may have a security interest, lien or right of set-off over your securities enabling such sub-custodian to dispose of your securities, in order to recover debts that do not relate to you or the provision of services to you.
- 9.6 Your securities will be pooled together with our other clients' securities (we call this an "**Omnibus Account**") with a third party depositary in the name of eToro Europe on behalf of our clients. In such case, it may not be possible to separate your securities from those of other clients.
- 9.7 In the event of the insolvency or any other analogous proceedings in relation to that third party, we may only have an unsecured claim against the third party on behalf of the client, and the client will be exposed to the risk that the money received by us from the third party is insufficient to satisfy the claims of the client with claims in respect of the relevant account. We do not accept any liability or responsibility for any resulting losses.

- 9.8 This also means that if we or our third-party nominee becomes insolvent, your securities may not be immediately identifiable by separate certificates, physical documents, or equivalent electronic entries on the register. Instead any claim will be against the Omnibus Account, and therefore more time might be needed for us to identify which securities are yours, and which belong to a different client. As additional time might be needed, this might increase your risk of losing money. In addition, if there is an unreconciled shortfall caused by the default of a custodian, you may share proportionately in that shortfall.
- 9.9 You agree that because of the nature of Applicable Laws or market practices in overseas jurisdictions, it may be in your best interest for your securities to be registered or recorded in our name or in the name of the sub-custodian, the nominee or any applicable delegate. If it is not possible for us to do this, then:
- (a) your securities may be registered or recorded in the name of the company/issuer, sub-custodian, the nominee or any applicable delegate as the case may be;
 - (b) your securities may not be segregated and separately identifiable from the securities of the company/issuer, sub-custodian, the nominee or any applicable delegate; and
 - (c) as a consequence, in the event of a failure, your securities may not be as well protected from claims made on behalf of our general creditors. You should note that when we arrange for a third-party to hold your securities overseas there may be different legal and regulatory requirements than those applied in the Republic of Cyprus.
- 9.10 You agree that you will not try to sell, mortgage or otherwise deal in or part with the securities which we hold for you.
- 9.11 If you have not instructed us about the securities in your eToro account (e.g. to sell the securities) and we are unable to trace you despite having taken reasonable steps to do so we will stop treating your securities as client assets after a prescribed period of time, in accordance with Applicable Law. We will try to contact you before we do this.
10. **Corporate events**
- 10.1 A corporate event is something which will result in a change to the securities you hold. Examples of corporate events include share consolidations, share splits, reorganisations, mergers, take-over offers (and similar), name changes and rebranding, dividend distributions, and delistings. We will reflect a corporate event on your account as soon as practicable after we have received confirmation from our custodians that the corporate event has been completed.
- 10.2 If a corporate event impacts a security in your eToro account, we will use reasonable endeavours to adjust the securities in your account in a way that is fair and which aligns with market practice, depending on the circumstances of each event and according to our sole discretion, although we are not obliged to do this. Adjustments may include changing the price or quantity of securities in your account, to reflect the economic equivalent of such rights.
- 10.3 We reserve the rights to close out any open positions at the market price as soon as reasonably possible following a corporate event in order to make any required adjustments.
- 10.4 Actions taken by us to adjust the securities in your account after a corporate event may create tax liabilities for you. We may deduct tax when making adjustments, however it will be your responsibility to satisfy these liabilities if we did not make such deduction. We may claim or reclaim tax credits on dividends or other income on securities.
- 10.5 If you are holding securities, such as shares, which grant you the right to receive a dividend or interest payment from a company, provided that you have held such shares prior to and on the relevant ex-dividend date, we will pay this money into your eToro account on receipt by us. We may deduct from this payment any applicable tax however it will be your responsibility to satisfy these liabilities if we did not make such deduction.
- 10.6 If the underlying market on which your security is traded is suspended, you will not be able to place any sell orders on those securities, and we will not be able to execute any sell orders which you have already placed on those securities until the market recommences trading. We cannot guarantee that

your order will be executed immediately when the market recommences trading, and we may be required to wait until there is enough demand to buy your security.

- 10.7 Where a corporate event results in a fractional entitlement to part of a security, we will use reasonable endeavours to aggregate those fractional entitlements, and sell those fractional securities and credit your account with a cash value which may be subject to certain fees and charges. However, we are not obliged to do this.
- 10.8 Where a corporate event, such as partial redemptions, affect some but not all products held in an Omnibus Account, we will use reasonable endeavours to allocate the products which are affected to relevant clients in a fair way and in accordance with market practice. However, we are not obliged to do this.
- 10.9 If a security is delisted, or if an issuer of a security goes into insolvency or is dissolved, those securities held in your eToro account will be dealt with in accordance with the terms of the delisting, insolvency or dissolution, as applicable.
- 10.10 We reserve the rights to close out any open positions at the market price as soon as practical following a corporate event taking place in order to make any required adjustment (price, quantity or any other adjustment) resulting out of the corporate event.
- 10.11 We are not obliged to notify you of or arrange attendance at any annual general meetings or extraordinary general meetings applicable to your securities, and/or arrange the exercise of any voting rights attaching to securities we hold on your behalf, whether exercisable at an annual general meeting or otherwise. We are also not obliged to inform you of any class action or group litigation that is being proposed or taken concerning securities that we are holding on your behalf.
- 10.12 Where corporate events affect some but not all securities held in a pooled account, we shall allocate the securities which are affected to relevant clients in a fair and equitable manner as we reasonably consider is appropriate.
- 10.13 As we will hold your securities in one or more pooled accounts, you may receive dividends or distributions net of applicable taxes which has been paid or withheld at rates that are less beneficial than those that might apply if the securities were held in your own name or not pooled.
- 10.14 Please refer to Part 3 of the General Terms and Conditions for more information about our rights and your rights in special circumstances.

11. **Effect of termination**

- 11.1 Where you terminate your relationship with us and provide us with instructions for closing your account, we will arrange for your securities to be sold as soon as reasonably possible in accordance with this Schedule B and the General Terms and Conditions of your account and registration with us. We will hold the proceeds of the sale as client money in an account in your name.
- 11.2 We will charge fees and any other applicable charges and taxes on the sale of your securities.
- 11.3 Where securities are sold, you may suffer a shortfall between the amount you invested and the amount you get back after sale. We are not responsible for any shortfall that arises. Any shortfall will be borne by you.

12. **We may loan your securities**

You acknowledge, accept, and expressly consent to us lending any securities held on your behalf to any third party. In connection with such activity, we will act as your agent. If we receive income or benefits (including stock lending fees and interest on posted collateral), we are not obliged to pass on such income or benefits to you. Where we lend out your securities, this may limit your ability to exercise voting rights (if any) relating to that security. Such lending to the extent conducted, will be offered in accordance with any Applicable Laws.

Appendix 1
Situations in which Securities Trading Services are Differentiated

Without derogating from the generality of paragraph 1.3 above, even though your transaction may relate to securities, we do not execute the following transactions, through our securities trading service:

- (a) securities buy transactions carried out using leverage;
- (b) all short transactions;
- (c) all transactions (including CopyTrader and CopyPortfolio transactions) made by users from the countries listed in Appendix 2 – "Excluded Countries", as shall be amended from time to time at our sole discretion;
- (d) all transactions in shares which are listed and traded on an exchange listed in Appendix 3 – "Excluded Exchanges" as shall be updated from time to time;
- (e) all types of transaction in certain securities, as shall be determined by eToro us at its our sole discretion, which will be indicated on the eToro platform as CFD transactions; and
- (f) copy trading (including both CopyTrader and CopyPortfolio transactions) in securities that are classified as CFDs in the account of the copied investor, including any change in such classification from the underlying securities.

In these circumstances, we will execute the trade as a CFD transaction, rather than a security investment. Therefore your trade will be governed by the General Terms and Conditions and by Schedule A – Trading CFDs, and not by this Schedule B – Investing in Securities.

Appendix 2
Excluded Countries

All Securities transactions made by users from the countries listed below (Citizens and/or Residents) are CFDs transactions:

- Afghanistan
- Angola
- Australia
- Belarus
- Congo
- Congo Republic
- Cote d'Ivoire
- Iraq
- Liberia
- Libya
- Macedonia
- Myanmar
- Nauru
- New Zealand
- Nigeria
- Sierra Leone
- Zimbabwe

Appendix 3
Excluded Exchanges

- Italy Stock Exchange (Borsa Italiana);
- Helsinki Stock Exchange;
- Copenhagen Stock Exchange;
- Oslo Stock Exchange.

SCHEDULE C – TRADING CRYPTOASSETS

This Schedule C sets out the specific terms that will apply to you when trading cryptoassets on the eToro platform. The terms in this Schedule C apply to you **in addition** to the General Terms and Conditions, which apply to all of our services and not just cryptoasset trading. Capitalised words in this Schedule C will have the same meaning which are given to those word in the General Terms and Conditions. If a term of this Schedule C conflicts with or differs from a term in the General Terms and Conditions, this Schedule C will apply.

1. **Our cryptoassets trading service**

- 1.1 A "**cryptoasset**" is a type of decentralised digital currency or asset which is not issued by any central bank or issuer. Technological encryption techniques are used to produce units of the currency or asset and verify the transfer of units between owners of the cryptoasset.
- 1.2 We will act as your agent for your cryptoasset trades. This means that we will instruct a trade to be entered into with an executing broker on your behalf. The executing broker may be a third party entity or an eToro affiliate or Group entity.
- 1.3 The cryptoassets that we offer for trading may change from time to time. To view what cryptoassets are offered on our Trading platform, visit our website at <https://www.etoro.com/discover/markets/cryptoassets>.
- 1.4 Our cryptoasset services are differentiated depending on type of position you enter into and the date on which you entered into it. As a result, some particular types of trade involving cryptoassets and/or historical open trades may not be carried out through our cryptoasset trading service and will instead be carried out as CFD trades. We have included a full list of these trades and what alternative service will be used at Appendix 1 to this Schedule C. Your account statement will include an indication of the type of transaction.

2. **Investor protection and compensation**

- 2.1 Since cryptoassets markets are decentralised and non-regulated, our cryptoassets trading service is an unregulated service which is not governed by any specific European regulatory framework. This means that there is no central bank that can issue more currency or take corrective measures to protect the value of cryptoassets in a crisis.
- 2.2 As cryptoassets are unregulated, when you use our cryptoassets trading service you will not benefit from the protections available to clients receiving regulated investment services. For example, you will not have access to the Investor Compensation Fund for Customers of Cypriot Investment Firms ("**Fund**") or the Financial Ombudsman of the Republic of Cyprus for dispute resolution.
- 2.3 We will endeavour to enable you to benefit from rules relating to best execution and safekeeping of client assets to the extent required by applicable rules.
- 2.4 As part of the cryptoassets trading service, we may rely on third party service providers (including affiliated companies) to buy or hold the cryptoassets on your behalf. Those third parties may be based outside of the EEA and/or may be unregulated.

3. **Limitations to our cryptoassets trading service**

- 3.1 We offer a 'non-delivery' cryptoassets trading service and the eToro trading platform is not an exchange or a market. This means that you can only enter into cryptoasset trades with us on the platform, and not with third parties. You will also not have the right to vote, stake, or otherwise participate in any events or actions that may occur in relation to the cryptoasset. Therefore, our services are limited to you buying and selling cryptoassets on our platform.
- 3.2 You will generally not be able to transfer your cryptoassets out of your eToro account, including for the purposes of selling that cryptoasset on another platform or to another person, or transfer cryptoassets into your eToro account from a different account. However, we reserve the right to permit and support this functionality at our discretion. You may transfer cryptoassets from your eToro account into an eToro X account, as explained in paragraph 4 - "Transfer of cryptoassets". This service is subject to our discretion and we may choose to revoke it at our sole discretion.

4. **Orders**

- 4.1 Each order given by you will be binding on you notwithstanding that by entering into the order as applicable, you may have exceeded any limit applicable to you or in respect of your dealings with us.
- 4.2 We are not required to accept every order that you make, or if we have accepted your order we are not required to complete/execute every order. For example, we may not accept an order, not execute or complete an order, or cancel an order:
- (a) for the reasons set out in clause 19.2 of the General Terms and Conditions;
 - (b) due to the size of the order, for example large orders which cannot be filled;
 - (c) because we cease to offer the cryptoasset product;
 - (d) if you do not have enough margin to fund a 2x leveraged cryptoasset trade; and/or
 - (e) because you exceed any limits applicable to you or in respect of your dealings with us and other matters that affect trading generally.
- 4.3 As provided in clause 19.1 of the General Terms and Conditions, you may request to cancel or modify an order which we have not executed. However, we cannot guarantee that we will be able to carry out your request. In addition to this clause, we are not liable to you if we are unable to carry out your request. You acknowledge and agree that:
- (a) if an order cannot be cancelled or modified, you are bound by any execution of the original order;
 - (b) attempts to modify or cancel and replace an order can result in an over-execution of the order or the execution of duplicate orders. Our systems do not prevent such over-executions or duplications from occurring, and therefore you shall be responsible for all such over-executions or duplications; and
 - (c) if you enter a cancellation request, you will confirm that the cancellation has occurred prior to entering into any replacement orders.
- 4.4 You are responsible for monitoring your orders until they are confirmed or cancelled, as we may not provide you with explicit written notification. You should contact us immediately if you are unsure about the status of an order.
- 4.5 As provided in clause 18.5 of the General Terms and Conditions we cannot guarantee that your execution price will match your order price. This is known as slippage. To be clear:
- (a) if you place a cryptoasset order (whether during normal market hours or when the market is closed), you agree to pay or receive the prevailing market price at the time your market order is executed. You understand that the price you pay may be significantly higher or lower than you had anticipated at the time you placed the order, and therefore such price movements may be in your favour or against you;
 - (b) there is no guarantee that your order will be filled in full or in part. Where a delay occurs for any reason, we will attempt to execute the order as soon as reasonably practicable. You acknowledge and accept that the market price of the cryptoasset may have moved during the time between our receipt and acceptance of your order and our attempt to execute order;
- 4.6 You acknowledge and agree that we reserve the right to cause any of your cryptoasset orders to be routed for execution to one or more exchanges or off-exchanges, associations, electronic communications networks or markets according to our sole discretion.
- 4.7 Unless we agree otherwise, all sums payable by you are due immediately and must be paid on entering into the transaction.

5. **Margin transactions**

- 5.1 You may trade cryptoassets by paying for the trade in full, or we may allow you to trade cryptoassets using 2x leverage for any buy orders ("**Margin Transaction**"). Trading with leverage means you can make money quickly, but you can also lose money quickly. You can find out more about what leverage is, the risks of trading cryptoassets, and the risks of leverage in paragraph 7 - "The key risks of trading cryptoassets", the General Risk Disclosure, and on our website.
- 5.2 Eligibility to the Margin Transactions shall be determined by us according to our internal procedures and requirements and at our sole and absolute discretion. We reserve the right to refuse your ability to access Margin Transactions, including generally or on a specific trade by trade basis, and for any reason. We may not provide you with prior notice, or an explanation of our refusal.
- 5.3 The cryptoassets purchased in a Margin Transaction and any asset resulting from any Fork in relation thereto are our collateral for the loan provided to you and any fees related due thereon. If the cryptoassets in such Margin Transaction decline in value, so does the value of the collateral supporting your loan, and as a result we can take action, such as sell those cryptoassets in order to maintain the required equity. If such cryptoassets are not sufficient to cover your debt to us (including any fees) we may use in our sole discretion, subject to any Applicable Law, any other assets and/or funds in your account (including liquidation of such assets, if permitted under Applicable Law).
- 5.4 You acknowledge that eToro will not issue margin calls in respect to Margin Transactions. It is your sole responsibility to follow up whether your transaction is about to be closed due to Margins Requirement as shall be indicated in the Trading Platform. eToro will liquidate your Margin Transaction in order to satisfy the Margin Requirements without prior notice to you and without an opportunity for you to choose the timing of liquidation. We may but are not obligated to, in our sole discretion, allow you to add funds into the position to avoid any forced liquidation of your cryptoassets.
- 5.5 Any requirement for margin must be satisfied in such currency and within such time as may be specified by us (in our sole discretion) or, if none is specified, immediately.
- 5.6 The consideration from the liquidation of the collateral will be used first to pay off interest before principal. Any unpaid loan shall continue to accrue overnight fees until the loan amount shall have been paid in full.
- 5.7 We provide all clients with negative balance protection. This means that your aggregate liability in your Account is limited to the funds in your Account.
- 5.8 It is your responsibility to monitor at all times the amount deposited in your transactions against the amount of any margin that may become necessary.
- 5.9 You hereby grant us the right to pledge, re-pledge, hypothecate, invest, either separately or with the property of other customers, to itself as broker or to others, any cryptoassets or asset held for your benefit by eToro as margin or security. eToro is irrevocably appointed as attorney in-fact for you and is authorized, without notice to you, to execute and deliver any documents, give any notice and to take any actions on your behalf, including the execution, delivery and filing of financing statements, that eToro deems necessary or desirable to evidence or to protect our interest with respect to any collateral.

6. **Transfer of cryptoassets**

- 6.1 Where you purchase cryptoassets on our platform (except for Margin Transactions as defined in this schedule), we may allow you to transfer your cryptoassets to an account opened in your name with eToro X Limited ("**eToro X**"). In this scenario, the cryptoassets will be stored in your eToro X wallet. However, we may pause or stop this facility at our discretion without any notification to you. You cannot use this functionality to transfer cryptoassets to wallets held by other third parties. Cryptoassets bought in a Margin Transaction (see section 5 above - "Margin transactions") have no transfer option.
- 6.2 The cryptoassets that you transfer to your eToro X account may not be transferred back to your eToro account, and you cannot exchange them for currencies (such as US Dollars or Sterling).
- 6.3 If you choose to open an eToro X account and use its features, including transferring cryptoassets from your eToro account to your eToro X wallet, then you will be subject to eToro X's separate Terms and Conditions. These can be found on the eToro X website.

6.4 We may charge a fee for transferring your cryptoassets from us to eToro X. We provide more details of the fees that may apply to you when you are trading or transferring cryptoassets in paragraph 10 - "Fees and costs".

6.5 Where you transfer your cryptoassets to your eToro X wallet, you will not be able to make a chargeback claim against us in relation to the that transfer.

7. **The key risks of trading cryptoassets**

7.1 Our cryptoasset trading and especially Margin Transactions service is not appropriate for everyone. Cryptoassets are volatile virtual products and come with a high risk of losing money quickly (which is even greater in Margin Transactions). Prices can and do fluctuate significantly on any given day. Due to these price fluctuations, your holdings may significantly increase or decrease in value at any given moment, and this may result in a loss of all the capital you have invested in a transaction.

7.2 If the market moves against your position, you may be called upon by us to provide a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the time required by us, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.

7.3 The most important risks when trading cryptoassets (which are even greater in Margin Transactions) are:

- (a) Particularly during periods of high volume, illiquidity, fast movement or volatility in the marketplace for any cryptoassets, the actual market rate at which a market order or trade is executed may be different from the prevailing rate indicated via the cryptoassets trading services at the time of your order or trade.
- (b) The actual market rate at which a market order or trade is executed may be different from the rate that is displayed on the eToro platform at the time that you make your order, if prices are fluctuating substantially.
- (c) Cryptoassets are a unique kind of product, backed by technology and trust, unlike most currencies, which are backed by governments or other legal entities, or by commodities such as gold or silver. This means there is no central bank that can take corrective measure to protect the value of cryptoassets in a crisis or issue more currency.
- (d) As cryptoassets are virtual products, they may become 'delisted' or unsupported at any time, which means they may no longer be offered for sale or exchange on markets. If this happens, the cryptoassets will become worthless and the applicable order will be immediately closed.
- (e) Under certain market conditions, you may find it difficult or impossible to liquidate a position, such as where the market reaches a daily price fluctuation limit or where there is insufficient liquidity in the market.
- (f) As cryptoassets are digital assets, there is a risk that third parties may obtain unauthorised access to your information and/or your assets.
- (g) Cryptoassets are often traded using independent blockchain technology. Your use of blockchain and other third party networks will be subject to any changes and/or amendments in their systems and to any Applicable Law which may apply to them. We are not responsible for any failure, mistake, error, or breach of third party networks. We also do not make any guarantee about the services provided by and the security of third party networks.
- (h) Cryptoassets are operated by underlying software protocols. The underlying protocols are subject to sudden changes in operating rules (called "**Forks**"), and such Forks may materially affect the value, function, and/or even the name of the cryptoasset which we hold for your benefit. We explain your rights and our rights if a fork occurs in more detail in paragraph 45 - "Our rights and your rights in special circumstances".

- (i) We may execute orders through, or hold cryptoassets and currencies with, a third party. These third parties may not be banks. This means that, if a company holding the currencies or cryptoassets fails, is hacked, or goes out of business, your money and assets are not protected in the same way as they would be if they were held by a bank. In particular, we may only have an unsecured claim against that third party on your behalf, which means that you are less likely to recover your money.
- (j) Cryptoassets are unregulated products. This means that, when you invest in cryptoassets, losses incurred due to cryptoasset trading will not be eligible for government compensation. Please see paragraph 2 – "Investor protection and compensation" for more information on this.

7.4 You should therefore carefully consider whether trading or holding cryptoassets is suitable for you, in light of your financial circumstances, and you should ensure that you fully understand the risks before using our cryptoassets trading services. You should only use our cryptoassets trading service if:

- (a) you have sufficient and relevant knowledge about or experience in, trading in volatile markets;
- (b) you are trading with money you can afford to lose;
- (c) you have a high-risk tolerance; and
- (d) you want to gain short term exposure to a product/market.

7.5 Please refer to clause 5 of the General Terms and Conditions, the General Risk Disclosure, and our website for more information on the key risks of using our services.

Margin Transactions

7.6 In addition to the risks highlighted above, there are the following risks associated with Margin Transactions:

- (a) **You can lose more funds than you deposit in the Margin Transaction.** Margin trading can amplify gains as well as losses. If the cryptoassets you bought suddenly has a sharp decline, you will face the risks of larger losses. A decline in the value of cryptoassets that are purchased on margin may require you to add funds to such transaction to avoid the forced sale of those cryptoassets or other assets in your Account.
- (b) **We can force the sale of assets in your account.** If the cryptoassets in a Margin Transaction falls below the Margin Requirements, we can sell the cryptoassets in your account to cover the margin deficiency. You will also be responsible for any shortfall in the account after such a sale.
- (c) **We can sell your cryptoassets without contacting you.** We are not required to contact you for a margin call to be valid and we can liquidate cryptoassets in your accounts to meet the Margin Requirements, including immediately selling the cryptoassets without notice to you.
- (d) **We can increase our Margin Requirements at any time and are not required to provide you with advance written notice.** These changes often take effect immediately and may result in the issuance of a margin call. Your failure to satisfy the call may, as described above cause us to liquidate or sell cryptoassets or other assets in your Account. We are not responsible to delays in the release of funds intended to satisfy the call, including but not limited to internal holds on funds exceeding verification limits, delays in the transfer of funds from external accounts maintained by third party financial institutions, and failure of proper routing of funds through financial networks. The funds won't count towards their Margin Requirements until they are released.
- (e) You will not be entitled to an extension of time on a margin call.

8. **Limitation on liability**

8.1 Cryptoassets are highly speculative assets which rely on a number of external variables for their existence and value. As a result, there are a number of additional risks and liabilities that you will be exposed to when trading cryptoassets. This paragraph sets out a number of these liabilities and explains the circumstances under which we will not be liable for any losses, costs, or expenses that you suffer subject to Applicable Law.

8.2 We are not liable to you where you suffer a loss, cost, or expense as a result of:

- (a) any delay or change in market conditions before we execute an order or before a transaction settles;
- (b) any delay or interruptions caused by any computer viruses, spyware, scareware, Trojan horses, worms or other malware that may affect your computer or other equipment, any cyber-attack or any phishing, spoofing or other attack. We advise the regular use of a reputable and readily available virus screening and prevention software. You should also be aware that SMS and email services are vulnerable to spoofing and phishing attacks and should use care in reviewing messages purporting to originate from us;
- (c) any loss caused by theft, robbery, burglary or other criminal taking if a computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system is used to perform such acts;
- (d) any loss of any kind resulting from any communication failures, disruptions, errors, distortions or delays you may experience when trading on the eToro platform, regardless of how they are caused;
- (e) any loss resulting from a network failure of a cryptoasset's cryptographic protocol;
- (f) any loss caused by a custodian and/or by any third party;
- (g) any lost profits or damages that are caused by or are connected to unauthorised use of the eToro platform or services, even where we or one of our representatives knew or should reasonably have known about the possibility of such damages; and
- (h) any loss of any kind, from action taken in reliance on material or information, contained on eToro's trading platform or websites and/or on the blockchain systems.

8.3 Neither eToro Europe, its affiliates and service providers, nor any of their respective officers, directors, agents, joint venture partners, employees or representatives, will be liable for any amount larger than the value of the cryptoassets currently deposited in your account. As a result, for example, if you claim that we failed to process a buy or a sell transaction properly, your damages are limited to no more than the value of the supported cryptoasset at issue in the transaction.

8.4 We also do not promise or guarantee that:

- (a) the trading platform, and the server that makes it available, are free of viruses or errors, that its content is accurate, that it will be uninterrupted, or that defects will be corrected;
- (b) the service will be available at all times;
- (c) access to our website, any part of the services, our terms and other information provided by us or any part of our services will be continuous, uninterrupted, timely, or error-free; or
- (d) historical cryptoasset price data available on the trading platform is accurate and/or complete.

8.5 The services are provided on an "**as is**" and "**as available**" basis without any representation or warranty, whether express, implied or statutory. To the maximum extent permitted by Applicable Law, we specifically disclaim any implied warranties of title, merchantability, fitness for a particular purpose and/or non-infringement.

8.6 Please refer to clause 25 of the General Terms and Conditions for more information on the general limitations to our liability when you trade using any of our services.

9. **Placing an order**

Please refer to clause 18 of the General Terms and Conditions for information on how you may place an order and provide trading instructions on the eToro platform.

10. **Fees and costs**

10.1 Please refer to clause 21 of the General Terms and Conditions for more information on the fees and costs which apply to all transactions on the eToro platform.

10.2 If you transfer your cryptoasset into a different account, for example an account operated by eToro X, we will charge you a "**transfer fee**", and you will also incur a third party fee called a "**blockchain fee**".

10.3 If you sell cryptoassets, the consideration for the transaction, less commission and all applicable charges and taxes, will be available on your account for reinvestment, but you will not be able to withdraw it from your account until the transaction has settled.

10.4 If you enter into a Margin Transaction, we will charge an overnight fee each time you keep a position open after trading hours, including on public and bank holidays. If you keep your position over the weekend, we will charge you for two nights. The overnight fee will be taken out of the available balance in your eToro account. How the overnight fee is calculated will be different depending on your underlying product, the amount of leverage being utilised, and whether you are entering into a buy or a sell trade. Our overnight fees are subject to change and can be viewed on our website, and the overnight fee relevant to your order will also be displayed to you when you open a position.

10.5 Additional charges may also be incurred by you in the case of the delayed or failed settlement of a transaction. Any such amounts will be your responsibility and, where appropriate, will be deducted from your account. This may occur where there is low demand for a cryptoasset that you want to trade on the platform, meaning that there is a period of time between you choosing to sell the cryptoassets and it being bought on the platform.

11. **Settlement**

11.1 We are not responsible for any delay in the settlement of a transaction resulting from circumstances beyond our control, or the failure of any other person or party (including you) to perform all necessary steps to enable completion on the settlement date.

11.2 We may refuse to allow a withdrawal on any account that you have with us if it would leave insufficient funds in the account to pay for any unsettled transactions. Where you make payment into your account and then make a withdrawal shortly afterwards, we reserve the right to delay settlement for up to eight business days to ensure your payment has cleared.

12. **Custody**

Cryptoassets are not regulated products and, therefore, trades or copy trades related to cryptoassets are not subject to Applicable Law on custody. However, we will endeavour to protect your assets in accordance with best market practice and to the extent possible in accordance with CySEC rules. In particular:

(a) we may appoint an affiliate or third party to hold cryptoassets on your behalf, and we will exercise reasonable skill and care in the selection, appointment and periodic review of the firm we appoint. In this circumstance, the cryptoassets may be held in the affiliate or third party's 'wallet', or in another appropriate manner;

(b) we, an appointed affiliate, or an appointed third party, may hold the cryptoassets which you've bought on our platform, until we receive further instructions from you to sell or transfer that cryptoasset, to the extent we support such transfer functionality;

(c) where we, our appointed affiliate or appointed third party hold your cryptoassets, those cryptoassets will be pooled with the cryptoassets of our other clients (we call this an "**Omnibus Account**"). There is a risk of loss from the use of an omnibus account. However, detailed records of all your cryptoassets held by us, our appointed affiliate, or the appointed third party, will be kept at all times to show that your cryptoassets are held on your behalf in order to mitigate that loss; and

- (d) as your cryptoassets are held in an Omnibus Account, if we, our appointed affiliate, or the appointed third party become insolvent, you may not have a legal claim against a specific amount of money, or a specific amount of cryptoasset. Instead, any claim will be generally against the Omnibus Account. If there is an unreconciled shortfall, you may not receive your full entitlement to the cryptoasset, or the value of the cryptoasset in fiat money (e.g. currencies such as US Dollars or Sterling) and you may share the shortfall proportionately with other clients.

13. **Our rights and your rights in special circumstances**

- 13.1 If you place an order on our trading platform and then one or more of the cryptoassets that form the subject of your order is delisted and/or we no longer support the trading in such cryptoassets for any reason, then we will immediately close your order and notify you of this as soon as possible.
- 13.2 If we reasonably become aware that a cryptoasset that you hold in your account is likely to be delisted, removed and/or cancelled from any of the any of exchanges on which it is listed and we believe that we not be able to trade in such cryptoassets, we will make an effort to sell the cryptoassets on your behalf at the time and price, and in such manner, as we determine is reasonable in the circumstances. We will notify you as soon as possible before selling your cryptoassets.
- 13.3 If at any time trading on the underlying market is suspended in any cryptoasset that forms the subject of your order, then the applicable order will also be suspended and you will not be able to sell any cryptoasset we hold on your behalf until such suspension is terminated and trading recommences.
- 13.4 When the suspension referred to at paragraph 13.3 is lifted, any order that you may have given us with respect to the cryptoasset that have been triggered will be executed as soon as is reasonable in the circumstances. We cannot guarantee that your order will be executed at the first available Underlying Market price or at all.
- 13.5 We do not own or control the software underlying the cryptoassets that are available for trading on our platform. In general, the underlying software protocols are 'open source', which means anyone can use, copy, modify, and distribute them. The underlying protocols which govern cryptoassets are subject to sudden changes in operating rules, known as "**Forks**". Forks can materially affect the way in which cryptoassets are valued, their function, and even the name of the cryptoasset which we hold for your benefit, and can create extreme price volatility.
- 13.6 By using our cryptoassets trading service, you acknowledge and agree that we are not responsible for operation of the underlying protocols and that we make no guarantee of their functionality, security, reliability or availability. You also acknowledge and agree that we have no responsibility or liability in respect of an unsupported branch of a forked cryptoasset.
- 13.7 When a Fork occurs, we may temporarily suspend trading on the eToro platforms (with or without advance notice to you). We may then, at our discretion:
 - (a) configure or reconfigure its systems;
 - (b) determine which of the forked cryptoassets has the majority consensus behind it and offer this cryptoasset on our trading platform; and/or
 - (c) decide not to support (or cease supporting) the Forked cryptoasset entirely.
- 13.8 In the event of a Fork, you acknowledge and agree that we may decide at our sole discretion to adjust the cryptoasset holdings in your account with respect to any affected cryptoasset held by you. Such adjustment shall be calculated by us and will be made on the basis of good faith, fairness and, where appropriate, by taking such action as is consistent with market practice and/or taking into account the treatment we may receive from our counterparties or any relevant third party. We may deduct any applicable tax, but we may also make these adjustments without deducting any taxes that will apply to you as a result of the adjustment. You will be obligated to pay the taxes that you are responsible for where we have not made tax deductions on your behalf.
- 13.9 We will not usually notify you before making a change to your portfolio under paragraph 13.8. Therefore, you should make yourself aware of the market conditions and the Forks that could occur. When a hard Fork occurs, there may be substantial price volatility around the event, and we may suspend trading if we do not have reliable prices from the underlying market.

- 13.10 In the event that a situation arises that is not covered under Schedule, or the General Terms and Conditions, we will resolve the matter on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice.
- 13.11 Please refer to Part 3 of the General Terms and Conditions for more information about our rights and your rights in special circumstances across all our services.

14. **We may loan, hold, and utilise your cryptoassets**

You acknowledge, accept, and consent to us lending any cryptoassets held on your behalf to any third party (including ourselves), holding any cryptoassets held on your behalf in third party 'wallets', and/or utilising any cryptoassets held on your behalf or rights arising from or related to such cryptoassets for our benefit, unless prohibited by Applicable Law, all subject to your right to sell such cryptoasset at any time. If we receive income or benefits for such cryptoassets, we are not obliged to pass on such income or benefits to you.

Appendix 1

Situations in which Cryptoasset Trading Services are Differentiated

Even though your transaction may relate to cryptoassets, we do not execute the following transactions, amongst others, through our cryptoasset trading service:

- (a) transactions where you enter into a short trade on cryptoassets;
- (b) cryptoassets copy trading (including CopyPortfolio) transactions classified as CFDs in the account of the copied investor, unless otherwise indicated in the Trading Platform;
- (c) CopyTrading and CopyPortfolio transactions of Cryptocurrency transaction with leverage of 2x;
- (d) cryptoassets transactions using leverage higher than 2x; and/or
- (e) all cross transactions of cryptoassets with other cryptoassets (e.g. ETH/BTC) and/or with currency (e.g. ETH/EUR, BTC/EUR).

There may be other transactions that we are unable to execute as cryptoasset transactions. This will be indicated on the trading platform and/or account statement, where the transaction will be listed as a CFD transaction.

Where we do not execute your trade through our cryptoasset trading service, your trade will be executed as a CFD transaction. Accordingly, you should refer to Schedule A – Trading CFDs instead of this Schedule C – Trading Cryptoassets where your transaction falls into one of the categories listed above.

SCHEDULE D – COPY TRADING

This Schedule D sets out the specific terms that will apply to you when using the copy trading functionality on the eToro platform. The terms in this Schedule D apply to you **in addition** to the General Terms and Conditions, which apply to all of our services and not just to copy trading. Capitalised words in this Schedule D will have the same meaning which are given to those word in the General Terms and Conditions. If a term of this Schedule D conflicts with or differs from a term in the General Terms and Conditions, this Schedule D will apply.

1. What is copy trading

- 1.1 When using the copy trading services, you are agreeing to use our investment management services.
- 1.2 The eToro platform provides you with the ability to interact, follow and copy other traders, strategies and/or portfolios by using the information, as well as providing you with "**social trading features**". Social trading features include detailed account information, trading histories, risk profiles, and other information in relation to eToro traders, strategies and/or portfolios that may be useful to you when deciding whether to copy such eToro trader, strategy and/or portfolio.
- 1.3 Copy trading is a trading functionality which allows you to copy the account of other traders. You do this by either copying a specific eToro trader account or copying a portfolio (we explain what this means below). By placing a copy order, you authorise us to automatically recreate this account for you in your eToro account without any prior consultation, consent or approval. This will be done on a pro rata basis with the same products and the same trading instructions. For example, we may start copy trading, stop copy trading and/or pause the copying of the copied trader, account, portfolio and/or strategy and set limits to any position etc.
- 1.4 Please read paragraph 2 - "Our copy trading service", and paragraph 8 - "Placing an order" for more information on how to place a copy trade on the eToro platform.

2. Our copy trading service

- 2.1 We offer a copy service which allows you to copy trades on the eToro platform in two ways:
 - (a) **CopyTrader:** where you can choose to copy the orders in an account of a single eToro trader. For more information, please refer to paragraph 8 - "Placing an order"; and
 - (b) **CopyPortfolio:** where you can choose to copy an account which contains a portfolio of products and/or traders. Some portfolios are designed by us, and some are designed by third parties. Each portfolio will have certain profiles and parameters which may be set either manually or by using certain algorithms.

More information about our copy trading functionality is available on our website.

- 2.2 We may update or amend the structure and/or composition of a strategy under the CopyPortfolio functionality at our discretion, without notifying you. This is called "**re-balancing**".

3. Classification of trade

- 3.1 The copy trade service may result in trades in a number of financial instruments. Each trade opened on your behalf as part as the CopyTrader or CopyPortfolio functionalities will usually be classified under the same asset class as classified in the copied account.
- 3.2 If you are restricted from trading a certain asset class due to Applicable Law or other regulatory requirements, then we will take reasonable steps, where permitted by Applicable Law, to ensure that an equivalent or similar trade is opened to replace the restricted trade. If we replace a trade for you, we cannot guarantee that the risk rating and economic performance of the replacement will match that of the restricted trade.
- 3.3 You should read the General Terms and Conditions and the Schedule which applies to the underlying instrument for more information. Schedule A applies to CFDs, Schedule B applies to securities, and Schedule C applies to cryptoassets.

4. **Regulatory status of the copy trading service and suitability assessment**

- 4.1 Our copy trading functionality may amount to a form of discretionary investment management. This means that, before you can engage in copy trading, we are required by law to assess whether copy trading is a suitable investment tool for you and under what conditions (the "**Suitability Assessment**"). The result of the Suitability Assessment is determined by information and documents provided to us by you, which you can update at any time.
- 4.2 We will establish your investment profile on the basis of your Suitability Assessment, and your ability to enter into copy trades may be limited by your Suitability Assessment. If we determine that copy trading is not a suitable investment tool for you, then you will not be permitted to access the copy trading functionalities of the eToro platform. We are not liable for any losses that you suffer as a result of providing false or misleading information as part of your Suitability Assessment, including where this leads to us creating an inaccurate investment profile for you.
- 4.3 Please also refer to clause 3 of the General Terms and Conditions for more information on the way in which we assess suitability.

5. **Limitations to our copy trading service**

- 5.1 We do not provide personalised investment recommendations, investment advice, tax related advice or other financial related advice of any kind. Any explanation or information which we give to you as part of a copy trade, or about the performance of the copy trade is not intended to be, and should not be considered as advice. This information is provided by us solely for informational purposes.
- 5.2 You should use any information gathered from our website or social trading features as a starting point for your own independent research and investment decision making. However, you should not make investment decisions based on information provided on the eToro platform or eToro Community.
- 5.3 We will take reasonable steps to monitor the performance of any copied trader under the CopyTrader functionality, as well as the performance of the different trading strategies and portfolios under the CopyPortfolio functionality. We reserve the right to pause, stop, or block:
- (a) any eToro trader from being copied under the CopyTrader functionality; and
 - (b) any portfolio of trading strategy from being copied under the CopyPortfolio functionality.

6. **The key risks of copy trading**

- 6.1 In making a decision to copy a specific trader or traders, strategy and/or portfolio, you should consider your financial situation, including your financial commitments. You should understand that copy trading is highly speculative and that you could sustain significant losses exceeding the amount used to copy a trader or traders as a result of the following:
- (a) it will involve automated trading execution whereby trades are opened and closed in your account without your manual intervention;
 - (b) if you manually modify or close an order generated by the CopyTrader functionality, you may achieve a materially different result than the trader that you copied;
 - (c) copied trades in amounts lower than the minimum trade will not be opened;
 - (d) if you are copying all trades which are currently open, we will open your position at the best available price at the time of copying and not the price at the time which the trade being copied was originally opened;
 - (e) cash-out and withdrawals by the copied trader, strategy and/or portfolio when you are using the CopyTrader/CopyPortfolio functionality may also generate a materially different result than the trader that you copied as it may affect the copy trading proportions. This is due to a number of different factors including starting account balance, minimum trade size, the investor's account settings, differences in spread, interest and investment price at time of investment, and also the difference in fees that may be incurred;

- (f) following/copying the trading decisions of inexperienced and/or unprofessional traders; and/or
 - (g) following/copying traders whose ultimate purpose or intention, or financial status may differ from yours.
- 6.2 We are unable to provide any guarantee as to the performance of any particular investment, account, portfolio or strategy. Please refer to the Schedule which applies to the underlying product that you are copying for more information on the risks associated with trading that product.
- 6.3 Past performance, risk scores, statistics and any other information with respect to eToro traders under our CopyTrader and/or CopyPortfolio functionality, or of different portfolios and trading strategies under our CopyPortfolio functionality are not reliable indicators of future performance. We do not represent or guarantee that you will achieve profits or losses similar to those shown on the eToro trader or portfolio that you are copying. We also do not represent or guarantee that the risk score of a trader will accurately reflect the risk of their future performances.
- 6.4 Please refer to clause 5 of the General Terms and Conditions for more information on the key risks of using our services.
- 7. **Conflicts of interest**
- 7.1 We are required to act in your best interest when providing our services. However, there may be instances where your interest conflicts with our interests, or with another client's interest. For example, with respect to copy trading, we may compensate popular eToro traders who you and/or others have elected to follow and/or copy.
- 7.2 Please refer to clause 7 of the General Terms and Conditions for more information on the conflicts of interest that may apply to our services.
- 8. **Placing an order**
- 8.1 Before you enter into the copy trade, you will need to allocate the amount of money you would like to put towards that copy trade. Such amount shall be allocated in transactions at the same proportion as it is allocated in the copied account. We will then automatically execute that order for you, which means we will not obtain your confirmation before we do this. The opening of such transactions shall not require any prior consultation, consent or approval. Trades below the minimum trade amount shall not be opened. If you are using the CopyPortfolio function, and you choose to close a single position while still copying the portfolio, this balance will be proportionally redistributed across the other open positions in the portfolio in the next rebalancing on the date scheduled by us.
- 8.2 There are a number of order restrictions when copy trading, including on the minimum and maximum amount that can be invested in any eToro trader or portfolio that you copy, the minimum amount on any single copy trade, and the maximum number of traders that you can copy. The full restrictions are listed on our website.
- 8.3 When you are using our CopyTrader service, you can choose to copy:
 - (a) all trades which are currently open in a certain account as well as new trades which are opened after you begin to copy the trader in such account; or
 - (b) only new trades which are opened after you begin to copy the trader's account. This means that we will not copy any trades in the trader's account which were entered into before this point.
- 8.4 When you are using our CopyPortfolio service, the copy trading functionality only permits you to copy both existing and new trades.
- 8.5 If you are copying all trades which are currently open, we will open your position at the best available price at the time of copying and not the price at the time which the trade being copied was originally opened. If the relevant markets are closed at the time of copying (for example during a market break) we will open a market order for you and once the market reopens, your order will be executed at the first available price.

8.6 If you are copying only new trades:

- (a) we will open your positions at the same time as the trades being copied; and
- (b) all instructions and actions related to the copied trade will automatically be replicated in your eToro account (subject to the trade size as explained above), including stop losses, take profits and the closing of trades. For example, if a trader that you are copying extends their stop loss by adding more funds to their account then your stop loss will be adjusted automatically to reflect this. However, your position amount will remain the same as its initial amount.

8.7 The copy trading service has a number of other functionalities that we may make available to you from time to time. However, we may add, remove, or change the availability and features of these functionalities, at our discretion. This may impact how you can use the copy trading service on our platform, for example whether you can copy all trades or only new trades of a trader or a portfolio.

9. **Fees and costs**

9.1 When you place a copy trade, we will charge you fees on the same basis as those charged to the copied account for the same trades. Please refer to the Schedule which applies to the underlying product that you are copying for more information on the fees and costs associated with that copy trade.

9.2 Please also refer to clause 21 of the General Terms and Conditions for more information on our fees and costs.

10. **Our rights and your rights in special circumstances**

Please refer to the Schedule which applies to the underlying product that you are copying for more information on our rights and your rights in special circumstances, as well as Part 3 of the General Terms and Conditions.

11. **Liability**

Subject to Applicable Law, neither eToro Europe nor any affiliates or associate third parties will be liable for any losses arising from:

- (a) actions taken by us in order to carry out your written or spoken instructions;
- (b) decisions or actions taken by an eToro trader that you have chosen to copy, including in connection with Portfolios; and/or
- (c) specific investment decisions or actions taken or omitted in good faith by any copied account strategy or portfolio, including portfolios controlled by us.