



PRIME XBT

**COVESTING
TERMS AND
CONDITIONS**

1. General

1.1. This Agreement defines the terms and conditions under which Prime XBT Trading Services LLC (hereinafter, "Company") provides Covesting module to its users (hereinafter, "Clients").

1.2. Prime XBT Trading Services LLC is incorporated under the laws of Saint Vincent and the Grenadines having its registered office at First floor, First St. Vincent Bank Ltd Building, James street, Kingstown, St. Vincent and the Grenadines. The Company is authorised as an International Business Company under the International Business Companies (Amendment and Consolidation) Act, Chapter 149 of the Revised Laws of Saint Vincent and Grenadines, 2009 (herein the "Law").

1.3. The objects of the Company are all subject matters not forbidden by International Business Companies (Amendment and Consolidation) Act, Chapter 149 of the Revised Laws of Saint Vincent and the Grenadines, 2009, in particular but not exclusively all commercial, financial, lending, borrowing, trading, service activities and the participation in other enterprises as well as to provide brokerage, training and managed account services in currencies, commodities, indexes, CFDs and leveraged financial instruments.

1.4. The Client warrants his understanding that laws regarding Covesting module vary throughout the world and it is the client's obligation alone to ensure compliance with any law, regulation or directive relevant to Clients country of domicile.

1.5. Ability to access the module does not necessarily mean that the company services and client activities through it are legal under the laws, regulations or directives relevant to clients country of domicile. Subject to the provisions of this Agreement, the Company agrees to provide the Client with the Services subject to the Client Not being a resident of: United States of America, Canada, Japan, Algeria, Ecuador, Iran, Syria, North Korea or Sudan, United States Minor Outlying islands, American Samoa, Russian Federation, Israel, Saint Vincent and the Grenadines.

1.6. Covesting module is not an asset management tool. This service provides the opportunity to follow the trading strategies of the Manager, who manages their own personal funds through a specific Covesting Strategy account. The Follower, voluntarily, at his own risk, selects the Strategy for following pursuant to a Strategy's Offer. All decisions of acceptance or rejection of the Offer are a personal matter of each potential Follower and are received without any recommendation or solicitation by the Company.

1.7. Covesting module is not governed by any regulatory framework, therefore you

will not benefit from the protections available to clients receiving regulated investment services.

IF YOU HAVE OBJECTIONS TO ANY OF THESE TERMS AND CONDITIONS, OR ANY PART THEREOF, AND/OR IF YOU DO NOT AGREE TO BE BOUND BY THESE TERMS AND CONDITIONS, OR ANY PART THEREOF, DO NOT ACCESS AND/OR USE SERVICES IN ANY WAY AND INFORM US IN WRITING IMMEDIATELY.

1.8. Covesting module allows every PrimeXBT platform user to start their own Strategy and make it publicly available for following by other platform users. Every user can follow other public Strategies created by other Strategy Managers. Every Strategy Manager is effectively trading all available instruments on the PrimeXBT platform using their own Covesting account capital. Every platform user has an ability to overview past performances of all available public Strategies prior to following. Covesting module is not an asset management tool and doesn't provide any protection as regulated asset management companies do, therefore every user who plans to follow any available Strategy and allocate funds into such Strategy, accepts all the risks described in the Risk disclaimer.

1.8.1. In order to get access to Covesting module full understanding of these [terms and conditions](#) are required. Client's registration on the official web-site of the Company is considered to be an official confirmation of the fact that all the documents are read, understood and accepted.

1.8.2. Terms and conditions of Covesting module are considered to be accepted unconditionally by the Client once he or she enters the Covesting module.

1.9. Only the Strategy Manager can carry out trading operations on the Covesting account and may issue complaints to the Company regarding the failure to fulfill or the improper fulfillment of any obligations related to trading operations on the Covesting account.

1.10. Followers choose Covesting Strategy or several Strategies to follow on their sole discretion basing on their own judgement.

1.11. Any claims that may be brought against the Company on behalf of Followers related to the legal and professional competence level of Strategy Managers shall be rejected.

1.12. The Company reserves the right to terminate the provision of the Covesting module service to any Manager at any time upon its sole discretion.

2. Terms and Definitions

- **Agreement** – means the present Agreement including any Annexes and/or Appendices attached herein as this may, from time to time, be amended or replaced.
- **Client** – means a natural or legal person, accepted by the Company as its Client to whom Services will be provided by the Company under this Agreement.
- **Services** – services provided by the Company to the Client through the Covesting module
- **Account** – Clients personal account at primexbt.com
- **Manager** – Covesting module user who created a public Strategy and trades on such Strategy's Covesting.
- **Strategy Offer** – The proposed potential profit distribution conditions to be applied once the Strategy following started.
- **Follower** – a user of Covesting module who followed one or several Covesting Strategies created by Managers, based on his own judgement
- **Covesting Strategy** – A Strategy that is created by a Manager, inside of Covesting module. Each Strategy has a unique name and Offer .
- **Strategy Liquidation** – The liquidation of a Covesting account leading to the closure of all Strategy followings.

3. Covesting Strategy

3.1. By creating a new Covesting Strategy, the Manager confirms that he/she accepts all the terms and conditions indicated in the present Agreement, and all the other regulations published on the official website of the Company.

3.2. When creating a Covesting Strategy, Manager has to provide a name and description of the Strategy. The name and description of a Covesting Strategy must not contain any of the following elements:

3.2.1. obscene language or any elements that are insulting in nature, including racial, religious, nationalistic and ethnic slurs;

3.2.2. guarantees of profits or other promises;

3.2.3. direct or indirect references to competing companies or their advertisements;

3.2.4. the words “Covesting”, “Primexbt”, any of their forms or derivatives, or third-party brand names the trademarks of which you do not own and the use of which could potentially breach copyrights;

- 3.2.5. the names of government officials and agencies;
- 3.2.6. references to gambling or financial pyramid schemes; and references to the Covesting Strategies of other Managers or other internet resources.
- 3.3. Strategy Offer - Percentage of profits distributed between a Strategy Manager, Company and the Follower.
- 3.4. In order to create a Covesting Strategy, the Strategy Manager has to make an initial deposit that should be no less than specified in Covesting module interface.
- 3.5. The Strategy's Offer refers to the proposal to potential Followers to follow his Strategy within Covesting module. Each Offer consists of a set of parameters that the Company uses to calculate the Manager's revenue share, and also defines other conditions for following Covesting Strategy.
- 3.6. Covesting Strategy's Manager can transfer funds between his Wallet and his Covesting Strategy account
- 3.7. Managers deposits into Covesting Strategy are processed instantly.
- 3.8. Manager is allowed to withdraw funds from Covesting Strategy account at any time, until its Equity is higher than minimum required amount.
- 3.9. The Company can cancel a deposit or withdrawal request without any explanation.
- 3.10. In case the Company suspects that the Strategy Manager is trying to manipulate the ranking parameters, exploit the system's weaknesses or generally did not act in the best interest of his/her Followers, the Company reserves the right to terminate the Strategy account, as well as disconnect all Followers from the Strategy account.
- 3.11. The Company reserves the right to set a limit of Followers for any particular Strategy.
- 3.12. All the calculations on Covesting Strategies, as well as the transfer of all types of revenue to the Strategy Manager are carried out by the Company.
- 3.13. The Company reserves the right to block any Covesting Strategy under the following circumstances:
 - 3.13.1. when fraudulent activity is suspected;
 - 3.13.2. when the Company's request to change a Covesting Strategy name which contains obscene language or any elements that are insulting in nature, including racial, religious, nationalistic and ethnic slurs is not fulfilled;
 - 3.13.3. other reasons (including without prior warning or explanation).
- 3.14. Once the Strategy Following is stopped by the Follower or the Strategy is closed by the Manager – profit distribution will take place according to the Strategy

Offer. The Strategy Manager and the Follower shall automatically receive their remuneration based on the % of the generated profit if any, as described in the Offer.

3.15. In order to act in the best interest of the Followers and keep Strategy Managers' and Followers' interests aligned, Strategy Managers shall manage their risk accordingly and always maintain sufficient margin to avoid forced liquidation.

3.16. The Strategy Manager is liable for any losses incurred in the Covesting Strategy account.

3.17. In cases where a request to close a Covesting Strategy is not executed for any reason, it will be completed and positions, if any, will be closed once normal service has been restored. The prices at which the positions are closed will correspond to the prices when it is actually executed.

3.18. The Strategy Manager irrevocably and unconditionally agrees and hereby authorizes the Company to use the Manager's Strategy in any way it chooses and make it public or communicate or market it as it deems appropriate.

4. Strategy Following

4.1. Covesting users can browse and compare the performances of all available Strategies in the Ratings section.

4.2. Users can evaluate every Strategy and review their historical performances and the Strategy Offer

4.3. Decisions to start and stop Following the Strategy are carried out exclusively on the basis of the Followers' own requests. Neither Manager nor Company can influence the Followers decision.

4.4. By accepting Strategy's Offer and starting following any available Strategy, the Follower confirms that he/she accepts all the terms and conditions of the present Covesting module Agreement and acknowledges significance and consequences of his own actions.

4.5. The Followers acceptance or rejection of the Strategy Offer is an entirely voluntary decision of the Client and does not bind the Manager and the Follower with contractual obligations and under no circumstances leads to the conclusion of a contract.

4.6. No funds are transferred between the Follower and the Manager once the Strategy following starts. All trades are replicated automatically on the Followers own account.

4.7. Followers have full control and flexibility to start and stop the Strategy following at any time.

4.8. A Follower can follow multiple Covesting Strategies at any time.

4.9. Once the Following is initiated the amount will be debited from the Followers Wallet

4.10. Followers and Strategy's performance may differ.

4.11. Profit distribution, if any, takes place to the Followers Wallet once the Following of the Strategy is stopped.

5. Obligation of the Manager and the Follower

5.1. The Manager, taking into account all of the risks of trading, engages in activities aimed at improving Strategy's performance. In the event that the Company decides that the Manager does not comply with Followers Interests, it reserves the right but has no obligation to inform the Followers and/or liquidate the Covesting Strategy.

5.2. The Manager Confirms that:

5.2.1. He/She self regulates every, but not limited, requirement of online trading, tax and civil law of the jurisdiction a resident of which he/she is.

5.2.2. All the personal data that was provided to the Company while obtaining the status of the Client is accurate.

5.2.3. All documents that regulate trading and non-trading operations as well as these terms were carefully read and understood.

5.2.4. All of the risks and implication of trading are defined and understood.

5.3. The Manager agrees that he/she would be obliged to autonomously settle all possible claims or complaints against him/her by Followers or from the governing authorities, and under no circumstances would the Company or any of its owners or any of its representatives be involved in such a legal matter.

5.4. The Manager shall continuously monitor and manage the Covesting Strategy set up by him/her.

5.5. The Manager accepts the obligations to ensure full confidentiality of access details to his Account. All the complaints regarding an unauthorized access details to the Account will be rejected if the server logs contain information that the actual password and login were used for this access.

5.6. Manager agrees that he has no right to:

5.6.1. Affiliate himself with the Company publicly or otherwise, in contracts and agreements either verbally or in a written form.

5.6.2. Use the Company trademark or its logo in any documents or offers.

5.6.3. Make statements, calculations or obligations on behalf of the Company on any public means of communications (such as forums, journal articles, books, presentations etc).

5.7. Manager agrees that if the results of his activities the Company will be presented with any claims or demands, he is obliged to settle all financial claims at his own expense (including all balances in his trading accounts with the Company). In such cases, all requests for Withdrawal of Funds on behalf of the Manager will be blocked and they will not be executed until the full resolution of the conflict.

5.8. Follower confirms that:

5.8.1. He/she self regulates every, but not limited to, requirement online trading, tax and civil law of the jurisdiction a resident of where he/she is residing.

5.8.2. All the personal data that was provided to the Company while obtaining the status of the Client is accurate.

5.8.3. All documents that regulate trading and non-trading operations as well as these terms, were carefully read and understood.

5.9. The Follower agrees to pay all fees as defined in the accepted Offer

5.10. Investor agrees that all claims and complaints by third parties that may arise as a result of his/her activities will be resolved independently by him/her and at own expense.

5.11. Fully understands and accepts that he has no right to assume responsibility on behalf of the Company or put the Company under any obligations or lawsuits as a result of Covesting fund Managers performance or systems failure.

5.12. Follower accepts the obligation to ensure full confidentiality of access details to his/her personal Account. All complaints regarding the unauthorized access to the Account will be rejected if the server logs contain information that the actual password and login were used for this access.

6. Strategy Closure and Liquidation

6.1. The Closure or Liquidation of a Covesting Strategy leads to the stop of all active Followings of this Strategy.

6.2. Manager can initiate a Covesting Strategy closure by pressing the “Close Strategy” button in the Covesting module. In the case that there are no active Followers of the Strategy, the closure will be processed immediately, otherwise the Strategy will be closed after 1 hour and all Followings will be stopped.

6.3. Profit distribution, if any, takes place once the Strategy is closed.

6.4. The Company can initiate a Covesting Strategy's closure. All open positions will be force closed at market rates and profit distribution, if any, will take place.

6.5. The Company reserves the right but has no obligation to liquidate any Covesting Strategy in the following cases:

6.5.1. The level of return, as shown in the Covesting Strategy Account, has dropped to -99.99% or lower.

6.5.2. The level of return, as shown in the Covesting Strategy monitoring, has remained unchanged for 30 consecutive trading days, indicating the absence of trading activity on the Account. If this happens, the Account will be closed automatically.

6.5.3. There is suspicion of fraud.

6.5.4. The Manager has not adhered to the Company requirement to change the nickname or name of a Covesting Strategy which contains obscene language or language that is insulting to social, racial, national or religious identity. The Manager will be given a prior warning about their account being liquidated.

5.5. Other reasons. The Manager may or may not receive a prior warning and an explanation.

7. Risk

7.1. The Company does not guarantee profit related to Strategy Following. Positive Covesting Strategy performances in the past do not guarantee future positive results.

7.2. The Manager or the Follower accept responsibility for possible financial losses such as direct losses or profit lost resulting from the following risks:

7.2.1. Possible losses, unrealized profits, etc., that may arise while Following one or several Covesting Strategies;

7.2.2. Moral prejudice related to financial losses;

7.2.3. Risk of Covesting Strategy liquidation;

7.2.4. Risk of losses resulting from technical difficulties that can cause delays in funds transferring from one account to another;

7.2.5. Risk of the Manager lacking required skills, experience and education;

7.2.6. Risk of the Manager's inability to access the Covesting Strategy due to either objective or subjective reasons;

7.2.7. Risk of actions aimed at inflicting financial losses to users with purpose of the Manager's profit;

- 7.2.8. Hacker attack risk, which can result in third parties accessing Covesting module;
- 7.2.9. Risk of delays in receiving information about alteration of the present Covesting modules Client Agreement or general Terms and Conditions;
- 7.2.10. Risk of misunderstanding of the present module Client Agreement or general Terms and Conditions,
- 7.2.11. Risk of possible claims from the tax and financial authorities of jurisdictions where the Followers or the Manager are located.
- 7.3. Under no circumstances does the Company bear responsibility for the consequences of such risks listed above.

8. Personal data and Confidentiality

- 8.1. The Company shall take all the possible measures in order to prevent any third-party interventions into personal information of its Clients except the cases when governmental institutions present valid requests.
- 8.2. The Company may disclose information concerning the Strategy, Manager and the Followers that is publicly available on the Covesting module and its official websites.
- 8.3. The Company may collect information directly from the Strategy Manager or from other persons, including but not limited to credit reference agencies and fraud prevention agencies.
- 8.4. The Company may use or otherwise process the personal information of the Strategy Manager in relation with the provision of the Services.
- 8.5. The information which the Company holds about the Strategy Manager is confidential and will not be used for any purpose other than in connection with the provision of the Services. Information of a confidential nature will be treated as such provided that is not already in the public domain or in the legal possession of the Company and was not subject to an obligation of confidence or non-disclosure at the moment of its receipt by the Company.
- 8.6. The Company has the right to disclose confidential information of the Strategy Manager in the following circumstances: a) where required by law or as requested by regulatory and enforcement authorities, courts and similar bodies which have jurisdiction over the Company; b) to investigate or prevent fraud or other illegal activity; c) when the disclosure will be made to members of the Company's personnel that require information thereof for the performance of their duties under the

Agreement or to any third party in connection with the provision of the Services; d) for purposes ancillary to the provision of the Services or the administration of the Strategy Account, including, without limitation, for the purposes of credit or identification enquiries or assessments; e) at the Strategy Manager's request or with the Strategy Manager's consent; f) to the Company's consultants, advisors, lawyers, auditors, provided that in each case the relevant professional shall be informed about the confidential nature of such information and commit to the confidentiality herein obligations as well; g) when related to court or other dispute resolution proceedings between the Company and the Strategy Manager. h) where required in compliance with the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS).

8.7. The Strategy Manager agrees that the Company may pass information about the Strategy Manager in the Company's group and to external companies to help the Company to process and/or analyse it as part of the provision of Services to the Strategy Manager. If the Strategy Manager does not wish the Strategy Manager's personal data to be used for such purposes, the Strategy Manager should give Written Notice to the Company.

8.8. The Strategy Manager agrees that the details of a Strategy are not considered to be personal data

9. Governing law and jurisdiction

9.1. This Agreement shall be governed by and construed in accordance with the laws and regulations of Saint-Vincent and Grenadines.

9.2. With respect to any proceedings, the Strategy Manager and the Follower irrevocably: a) agrees that the courts of Saint-Vincent and Grenadines shall have exclusive jurisdiction to determine any proceedings; b) submits to the jurisdiction of Saint-Vincent and Grenadines courts; c) waives any objection which the Strategy Manager may have at any time to the bringing of any proceedings in any such court.

10. Validity of these Terms

10.1. All the provisions of terms and conditions of the present Covesting module Client Agreement enter into force at the time the Client creates Covesting Strategy or accepts the Manager's Offer in the Covesting module.

10.2. The Company has the right to change terms and conditions of the present

Covesting module client agreement. Amendments enter into force and the Client is considered to be informed about such changes and agrees to comply with them once after modified Covesting module client agreement is published on the official web-site of the Company. Such amendments shall be applicable for all the Clients of the Company with no exceptions.

RISK DISCLAIMER

We warn that Covesting module is associated with various risks and You are urged to carefully read and consider the following risks before utilizing Covesting module.

Covesting module is contingent upon Your decisions to Follow a specific Covesting Strategy. In making such decisions, You have considered your entire financial situation including financial commitments and you understand that using Covesting module operation is highly speculative and that you could sustain significant losses.

Prime XBT Trading Services LLC and its affiliates and their employees and agents are not investment or financial advisers. IF YOU MAKE INVESTMENT DECISIONS IN RELIANCE ON INFORMATION WHICH IS AVAILABLE ON OUR WEBSITES OR AS A RESULT OF THE USE OF THE COVESTING MODULE YOU DO SO AT YOUR OWN RISK AND PRIMEXBT TRADING SERVICES LLC AND ITS AFFILIATES, THEIR EMPLOYEES AND ITS AGENTS WILL NOT BE LIABLE FOR ANY LOSSES THAT YOU MAY SUSTAIN.

YOU SHOULD NOT MAKE ANY INVESTMENT DECISION WITHOUT FIRST CONDUCTING YOUR OWN RESEARCH. YOU ARE SOLELY AND EXCLUSIVELY RESPONSIBLE FOR DETERMINING WHETHER ANY INVESTMENT, OR STRATEGY, OR ANY OTHER PRODUCT OR SERVICE IS APPROPRIATE OR SUITABLE FOR YOU BASED ON YOUR INVESTMENT OBJECTIVES AND PERSONAL AND FINANCIAL SITUATION.

Any past performances of our Covesting Strategies, ratings, statistics and any other information with respect to users appearing on our websites are not indicative of future results and should be considered as hypothetical as more fully described below. It is important to understand that ratings, statistical information and historical performances are not a guarantee of future performance.

NO REPRESENTATION OR GUARANTEE IS BEING MADE THAT ANY COVESTING STRATEGY WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN AND/OR THAT A RATING OF A COVESTING STRATEGY SHALL NOT IN FACT BE LOWER.

PAST PERFORMANCE AND/OR RATINGS SHOULD BE CONSIDERED AS HYPOTHETICAL PERFORMANCE RESULTS. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS. NO REPRESENTATION OR GUARANTEE IS BEING MADE THAT ANY COVESTING STRATEGY WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THE PAST PERFORMANCE OR RATINGS SHOWN. THE ACTUAL PERCENTAGE GAINS/LOSSES EXPERIENCED BY FOLLOWERS WILL VARY DEPENDING ON MANY FACTORS, INCLUDING BUT NOT LIMITED TO: STARTING ACCOUNT BALANCES (DEPOSITS AND WITHDRAWALS), MARKET BEHAVIOR AND THE ACTUAL PERFORMANCE OF COVESTING STRATEGY.

ACCORDINGLY, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL/PAST PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR COVESTING STRATEGY. THERE ARE NUMEROUS FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

NO ASPECT OF THE INFORMATION AND/OR COVESTING MODULE PROVIDED AND/OR MADE AVAILABLE ON OUR WEBSITES IS INTENDED TO PROVIDE, OR SHOULD BE CONSTRUED AS PROVIDING, ANY INVESTMENT, TAX OR OTHER FINANCIAL RELATED ADVICE OF ANY KIND. YOU SHOULD NOT CONSIDER ANY SUCH CONTENT AND/OR ANY SUCH FEATURE TO BE A SUBSTITUTE FOR PROFESSIONAL FINANCIAL AND/OR INVESTMENT ADVICE. IF YOU CHOOSE TO ENGAGE IN INVESTMENT TRANSACTIONS BASED ON CONTENT ON THE WEBSITE AND/OR ELECT TO ALLOCATE FUNDS BY FOLLOWING SPECIFIC FUND STRATEGY, THEN SUCH DECISIONS AND INVESTMENTS AND ANY CONSEQUENCES FOLLOWING THEREFROM ARE YOUR SOLE RESPONSIBILITY. PRIMEXBT TRADING SERVICES LLC AND ITS AFFILIATES DO

NOT PROVIDE INVESTMENT ADVICE DIRECTLY, INDIRECTLY, IMPLICITLY, OR IN ANY MANNER WHATSOEVER BY MAKING SUCH INFORMATION AND/OR FEATURES AVAILABLE TO YOU. YOU SHOULD USE ANY INFORMATION GATHERED FROM HERE AND/OR UTILIZE THE COVESTING MODULE ONLY AS A STARTING POINT FOR YOUR OWN INDEPENDENT RESEARCH AND INVESTMENT DECISION MAKING.