



PRACTICE TEST TERMS AND CONDITIONS

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UBK Markets Ltd (hereinafter referred to as the “Company”) is an investment firm that operates as a broker globally, where investment and ancillary services can be provided.

UBK Markets Ltd is incorporated in the Republic of Cyprus with Registration Number HE 293861. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (CySEC), with license No. 186/12. The Company’s office is located at Kyriakides Business Center, 2d floor, Leoforos Spyrou Kyprianou, 67, 4003, Limassol, Cyprus.

The Company is operating under Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (the “Markets in Financial Instruments Directive (2014/65/EU)” or “MiFID II”) and amending Directive 2002/92/EC and Directive 2011/61/EU, as last amended by Directive (EU) 2016/1034 of the European Parliament and of the Council, of 23 June 2016 and under Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (the “MiFIR”) which was implemented in Cyprus by the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017), which provide for the provision of Investment Services, the exercise of Investment Activities, the operation of Regulated Markets and other related matters (the “Investment Services and Activities and Regulated Markets Law”), as the same may be modified and amended from time to time.

These Terms and Conditions supplement the Customer Agreement and establish the procedure, terms and conditions that will help the Customer pass the Practice Test as well as get an opportunity to carry out his/her trading activity as an iPA-Manager.

Practice Test is a set of special conditions and rules developed by the Company to provide an equal opportunity for each Customer to ascertain his/her abilities and to improve the existing skills while trading in the financial market, and the Company, in its turn, will be able to assess professional skills of its Customers and, as a result, to provide Customers with an “iPA-Manager” status.

After obtaining the iPA-Manager status, each Customer is provided with a special account that has no margin requirements and does not involve real funds in any form — the iPA-Manager Account. For the iPA-Manager Account, the opportunity to trade on financial instruments, which are 100% covered by the Practice Test, is activated automatically.

Trading results of iPA-Managers on each financial instrument in the iPA-Manager Account are published in a special Long List on the official Company website. Based on his/her trading performance, each iPA-Manager holds certain positions in the Long List. The more effective an iPA-Manager’s trading activity is, the higher positions he/she has in the Long List, as well as the higher opportunity to receive a decent compensation.

The right to interpret the provisions of these Terms and Conditions as well as the right to change the interpretations belongs exclusively to the Company. Any other interpretation of the Terms and Conditions given by the Customer or non-compliance with these terms, conditions and procedure

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shall be unacceptable.

1. TERMS AND DEFINITIONS

1.1. Company means the party to the Customer Agreement that provides services to the Customer.

1.2. Customer means the party to the Customer Agreement, an individual or a legal entity who/which uses services provided by the Company.

1.3. iPA System means the software and algorithmic complex based on the iPA Technology which includes processing and transmitting means of Trading Orders generated on the basis of the iPA-Manager's (provider's) Trading Signals to the iPA-Investor's (subscriber's) Account.

1.4. iPA-Manager means the Company's Customer who uses the iPA-Manager Account. The iPA-Manager acts as a provider of Trading Signals. The iPA System transmits Trading Signals of the iPA-Manager to the trading accounts of iPA-Investors who have subscribed to copying of Trading Signals of the iPA-Manager's trading strategy, which they have selected using their own funds.

1.5. iPA-Investor means the Company's Customer who uses the iPA-Investor Account. The iPA-Investor allocating his/her own funds to the iPA-Investor Accounts subscribes to copying of trading signals of the iPA-Manager's trading strategy, which he/she has selected using his/her own allocated capital. Profit resulted from transmission of iPA-Managers' trading orders to the iPA-Investor Accounts is distributed according to the trading conditions for the iPA-Investor Account.

1.6. Live Account means a trading account that a Customer can open using "My Account" functionality in order to trade in this account via iPro Marketplace Trading and Analytical Platform and make a profit.

1.7. Trading and Analytical Platform means a software application that aggregates technological, software solutions to obtain information about the trading on financial markets in the real-time mode, and to enable to carry out analytical, and trading operations.

1.8. iPA-Manager Account means a trading account, a component of the iPA System. The iPA-Manager Account does not have margin requirements and does not involve real funds in any form. Profit on trading operations is calculated in Pips in this account. The iPA-Manager Accounts are divided into two types: using original trading strategy (Original Account) and applying the iPA Technology (Processed Account). Providing the iPA-Manager status to the Customer the Company opens the Original Account, which is used to execute trades via the Trading and Analytical Platform. Processed Accounts are created automatically when opening the Original Account in the number corresponding to the number of the iPA Technology algorithm configurations. Processed Accounts are not available to execute trades via the Trading and Analytical Platform and are under control of the iPA System.

1.9. Long List of iPA-Managers means a ranked list of iPA-Managers' trading results on financial instruments in the Original and Processed Accounts published on the official Company

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website. Customers who have opened the iPA-Manager Account can be included in the Long List of iPA-Managers after they execute 15 or more trades on one financial instrument within the last four weeks (28 calendar days).

1.10. Net Position means a sum of volumes of all open positions considering their direction on one financial instrument.

1.11. Practice Test means a set of special rules and conditions developed by the Company, which the Customer should follow to receive the status of an iPA-Manager and/or to activate a financial instrument to conduct trading operations in this status. A successful Practice Test completion allows:

- the Customer to strengthen own abilities and achieve good results while trading in the financial market;
- the Company to ascertain the opportunities of mutually beneficial and responsible cooperation with such a Customer as iPA-Manager.

1.12. Activation of Financial Instrument means a process that allows obtaining an opportunity to conduct trading activities on the given financial instrument in the iPA-Manager Account provided that the Customer completes 100% of the Practice Test on the given financial instrument in the Live Account.

1.13. Trade Quality means an indicator determined by the number of trades, for each trade the profitability constitutes from 100 to 150 Pips.

1.14. ATS (Automated Trading Strategy) means an automated system that allows conducting trading operations in the financial market not involving a trader.

1.15. Lot means a standard unit of volume measurement of the financial instrument when buying or selling shown as a numerical value.

1.16. Pip means a minimum step of change in a financial instrument quote.

2. GENERAL PROVISIONS

2.1. These Terms and Conditions establish the procedure, rules and conditions on how the Customer should take the Practice Test.

2.2. The Company provides every Customer who trades in Live Accounts, with an opportunity to take the Practice Test in order to ascertain his/her abilities to trade in the financial market as well as to improve his/her existing skills and to get the opportunity to become a successful iPA-Manager. The Practice Test is automatically initiated by the system when the Customer makes his/her first trade in the Live Account.

2.3. The Practice Test is a series of trades executed by the Customer in his/her Live Accounts in order to fulfill the conditions set forth in Section 3.2. The Customer's 100% compliance with the Practice Test conditions on one trading instrument selected from the list of those determined by the [trading conditions for the iPA-Manager Account](#) guarantees the Customer an opportunity

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to obtain the iPA-Manager status and to carry out trading activities on the given financial instrument in the iPA-Manager Account.

2.4. The Company establishes the following procedure for obtaining the iPA-Manager status by the Customer (rules and conditions for obtaining the iPA-Manager status are fully determined and established according to Section 3 of the [Terms and Conditions of iPA-Manager's Activity](#)):

- 2.4.1. Register "My Account" on the official Company website.
- 2.4.2. Open at least one Live Account and start trading on any financial instrument according to the [trading conditions for the iPA-Manager Account](#).
- 2.4.3. Complete the Practice Test on one or several financial instruments reaching 100% according to the conditions given in Section 3 of these Terms and Conditions.
- 2.4.4. Provide the information necessary for your publication in the Long List: upload a high quality photo and specify your unique nickname.
- 2.4.5. Confirm that you have read these Terms and Conditions.
- 2.4.6. Wait for a positive Company's decision on the compliance of the provided personal details with the Company's requirements.

2.5. The procedure for the Practice Test completion by the Customer does not have any time limits, and the current progress level of the Practice Test completion is displayed in the relevant section of his/her UBK Markets account on the official Company website.

2.6. The Company provides open access to general rules and recommendations which will help the Customer pass the Practice Test successfully.

2.7. The Company reserves the right to make amendments and modifications to the rules and conditions for the Practice Test completion without any prior notification.

2.8. In case the Company has any doubts regarding the quality and fairness of the Customer's Practice Test completion, the Company reserves the right to unilaterally and without any prior notification recalculate in a decreasing order trading results achieved by the Customer during the Practice Test completion.

2.9. If the Customer closes the Live Account before completing 100% of the Practice Test, trading performance resulted from his/her trading activity in this Live Account is saved.

3. THE PRACTICE TEST CONDITIONS

3.1. When the Customer conducts trading activity on trading instruments determined by the [trading conditions for the iPA-Manager Account](#) in his/her Live Accounts, trading performance on each trading instrument is calculated automatically, as well as the progress of the Practice Test completion is determined for each trading instrument separately. At the same time, the Company considers only the results of manual trades on each trading instrument separately in all of the Customer's Live Accounts.

3.2. The Company establishes the following conditions for the Customer regarding his/her trading performance (calculated on the basis of the rules presented in Section 4 hereof) in order to complete the Practice Test on each trading instrument:

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- 3.2.1. The total number of Pips on transactions should be not less than 8,000.
- 3.2.2. The number of completed transactions should be not less than 75.
- 3.2.3. The total volume of transactions in Lots should be not less than 5.
- 3.2.4. The number of profitable transactions that meet the definition of “Trade Quality” should be not less than 55.

4. RULES ON HOW TO CALCULATE TRADING PERFORMANCE

4.1. The Company establishes the following accounting rules on trading operations to complete the Practice Test:

- 4.1.1. Only closed transactions on the trading instruments determined in the [trading conditions for the iPA-Manager Account](#) are taken into account in the Customer’s Live Accounts.
- 4.1.2. The results of trading operations executed by the Customer using ATS are not taken into account.
- 4.1.3. Both transactions with a positive and negative profit are taken into account.

4.2. The trade indicator “Total Number of Pips on Transactions” is determined by calculating the history of the change in the Net Position as the total amount of the change in the price of completed transactions in the Live Account on a selected financial instrument in any direction, regardless of their profitability or loss. Pips are summarized from the Net Positions opening till its closing. In this case, any change in the Net Position direction is considered as the Net Position closing and its opening in another direction.

4.3. At the moment each transaction is closed, availability of trading operations in the Customer’s Live Accounts on one trading instrument with a different opening direction is checked. In case, in the considered time period there are trading operations of this type, to calculate trading performance the following shall be taken into account:

- the amount of executed closed Lots to calculate “Total Volume of Transactions in Lots”;
- the aggregate position on all of the Customer’s Live Accounts to calculate “Total Number of Pips on Transactions”;
- the number of actually opened transactions in all of the Customer’s accounts to calculate “Number of Completed Transactions”;
- one transaction to calculate “Trade Quality”, if, passing through the value 0, the actual value of the transaction profit meets the definition “Trade Quality” given in Paragraph 1.13 of these Terms and Conditions.