

FLATBOOK EXCHANGE

This policy as amended to date 28th of May 2016, together with any Schedule(s), and accompanying documents, as amended from time to time, (this "Policy") sets out the terms of the contract between you and us. Please read it carefully and let us know as soon as possible if there is anything which you do not understand.

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GENERAL

Information about us

We, FLATBOOK EXCHANGE, are the sole owner and architect of the Flatbook Peer to Peer derivatives trader. The Exchange is also the initiator of the Exchange room Peer to Peer trading style. This trading design is the first of its kind in the history of the global financial market.

The Exchange serves as the platform developer. We do not solicit for trading Clients, neither do we accept trading Clients or deposits.

Communication with us

You may communicate with us in writing, by email or other electronic means, or orally (including by telephone). The language of communication shall be English, and you will receive documents and other information from us in English. However, where appropriate and for your convenience, we will endeavour to communicate with you in other languages. Our website contains further details about us and our services, and other information relevant to this Document. In the event of any conflict between the terms of this Document and our website this Document will prevail.

Legal Age

FLATBOOK EXCHANGE derivatives trader is only available to individuals who are at least 18 years old (and at least the legal age in your jurisdiction). You represent and warrant that if you are an individual, you are at least 18 years old and of legal age in your jurisdiction to form a binding contract, and that all registration information you submit is accurate and truthful. The Exchange's Escrow account Referees

reserve the right to ask for proof of age from you and your account will not be approved until satisfactory proof of age is provided.

CONTRACT SETTLEMENT POLICY

Contracts are settled either **electronically** or **manually**.

Electronically

The electronic settlement between the winner and loser is automatically done by the Flatbook derivatives trading platform as soon as the trade is closed. The price data of the flatbook trader is the official spot fx Bid price.

A server failure of the Flatbook trader is very unlikely but should there be any technological issues that led to a complete breakdown in the functionality of the Flatbook platform, the Flatbook platform will automatically process the trade contracts that were pending as soon as server is restored.

Manually

In the unlikely event that server restoration delays beyond 24 hours, whatever trade that has been bought from the Exchange room that is registered as a trade in the Open or Pending Order section of the Flatbook trader will be settled **Manually** by the Flatbook Exchange Administrator. This is regardless of whether the position finished its countdown or not.

The process of Manual contract settlement is as follows:

1. The Flatbook Exchange Administrator will identify from the Flatbook database, the complete details of the trade contract as agreed by the Seller and the Buyer.
2. They will then apply the historical spot fx Bid price of the Spot FX market to determine the stop-loss, take-profit, barriers and strike prices of the trade contract as agreed by the Seller and Buyer to determine the actual winner and loser of each trade contract.
3. The winner and loser are notified by email and their respective account balances are manually adjusted accordingly.

TICK VALUE

0.01 points for JPY pairs and 0.0001 points for other currency pairs

PIP VALUE

The pip values are exactly the same as the standard pip values of other Spot FX trading platforms.

DIGITS

Currency instruments are quoted in 3 digits format for JPY pairs and 5 digits format for other currency pairs.

The Flatbook trader does not calculate trade sizes in lots but in real dollar amounts. Therefore, if a client wishes to trade with a thousand dollars trade size he would simply input it as 1000 in the trade size box of the trade ticket.

ORDER REVOCATION

A Seller may **revoke** an order he sent to the Exchange room before it has been accepted. The Seller has the right to **delete** such an order from the Exchange room by selecting the order he wishes to delete and clicking on the delete button in his personal section of the Exchange room. Once the order is bought by a Buyer, the Seller can no longer delete the order.

Similarly, once the Buyer has bought a contract from the Exchange room, he cannot revoke or cancel or delete the contract.

SINGLE CURRENCY RULE

All funds deposited into a Referee's bank account for the purpose of trading with the Flatbook Derivatives trader, shall be in U.S. dollars or any other currency agreed upon by the Referee as the official currency base of all account in their domain. All withdrawal payments from the Trading Client's account will also be made in official currency base as received by the Referee.

EXCLUSIONS, LIMITATIONS AND INDEMNITY

General Exclusion

Neither we nor our directors, officers, employees, or agents shall be liable for any losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, incurred or suffered by you under this Terms (including any Transaction or where we have declined to enter into a proposed Transaction) unless such loss is a reasonably foreseeable consequence or arises directly from our or their respective gross negligence, willful default or fraud. In no circumstance, shall we have liability for losses suffered by you or any third party for any special or consequential damage, loss of profits, loss of goodwill or loss of business opportunity arising under or in connection with this Terms, whether arising out of negligence, breach of contract, misrepresentation or otherwise. Nothing in this Terms will limit our liability for death or personal injury resulting from our negligence.

Tax implications

Without limitation, we do not accept liability for any adverse tax implications of any Transaction whatsoever.

Limitation of Liability

We shall not be liable to you for any partial or non-performance of our obligations hereunder by reason of any cause beyond our reasonable control, including without limitation any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, industrial action, act of terrorism, act of God, acts and regulations of any governmental or supra national bodies or authorities or the failure by the relevant intermediate broker or agent, agent or principal of our custodian, sub-custodian, exchange, or regulatory or self-regulatory organisation, for any reason, to perform its obligations. Nothing in this Document will exclude or restrict any duty or liability we may have to you under Applicable Laws, which may not be excluded or restricted thereunder. Flatbook Exchange offers its users the opportunity to use and/or benefit from third party services in any way they deem appropriate, accepting and carrying NO RESPONSIBILITY and NO LIABILITY as to the content provided by the third party nor as to the consequences of the use of the service. Clients use any of the third party service and/or the information provided by third party services for marketing and/or otherwise, upon their sole discretion and responsibility, undertaking all liability deriving from the use of the third party service. To that extend, clients are encouraged to seek advice and/or training prior to using the services or information provided making sure they fully understand the instruments, technical terms and descriptions provided. Please note that Flatbook Exchange is not in a position to provide such advice and/or training.

MISCELLANEOUS

Amendments

We have the right to amend the terms of this Document. If we make any material change to this Document, we will give at least ten business days written notice to you. Such amendment will become effective on the date specified in the notice. Unless otherwise agreed, an amendment will not affect any outstanding order or Transaction or any legal rights or obligations which may already have arisen. Notices and means of communication Unless otherwise agreed, all notices, instructions and other communication to be given by us to you under this Terms shall be given to the address, phone number or email address provided by you to us.

Electronic Communications

Subject to Applicable By-laws, any communication between us using electronic signatures and any communications via our website and/or Electronic Services shall be binding as if they were in writing. Orders or instructions given to you via e-mail or other electronic means will constitute evidence of the orders or instructions given.

Third Party Rights

This Document shall be for the benefit of and binding upon us both and our respective successors and assigns. You shall not assign, charge or otherwise transfer or purport to assign, charge or otherwise transfer your rights or obligations under this Terms or any interest in this Terms, without our prior written consent, and any purported assignment, charge or transfer in violation of this clause shall be void. You agree that we may without further notice to you and subject to Applicable Laws, transfer by whatever means we consider appropriate all or any of our rights, benefits, obligations, risks and/or interests under this Terms to any person who may enter into a contract with us in connection with such transfer and you

agree that we may transfer to such person all information which we hold about you. Time of essence Time shall be of the essence in respect of all obligations of yours under this Terms (including any Transaction).

Rights and remedies

The rights and remedies provided under this Terms are cumulative and not exclusive of those provided by law. We shall be under no obligation to exercise any right or remedy either at all or in a manner or at a time beneficial to you. No failure by us to exercise or delay by us in exercising any of our rights under this Terms (including any Transaction) or otherwise shall operate as a waiver of those or any other rights or remedies. No single or partial exercise of a right or remedy shall prevent further exercise of that right or remedy or the exercise of another right or remedy. Set-off Without prejudice to any other rights to which we may be entitled, we may at any time and without notice to you set off any amount (whether actual or contingent, present or future) owed by you to us against any amount (whether actual or contingent, present or future) owed by us to you. For these purposes, we may ascribe a commercially reasonable value to any amount which is contingent or which for any other reason is unascertained. Partial invalidity If, at any time, any provision of this Terms is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Terms nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

GOVERNING LAW AND JURISDICTION

Governing law

This Terms shall be governed by and construed in accordance with Alberta law.

Jurisdiction

Each of the parties irrevocably:

- Agrees for our benefit that the courts of Alberta shall have jurisdiction to settle any suit, action or other proceedings relating to this Terms (“Proceedings”) and irrevocably submits to the jurisdiction of such courts (provided that this shall not prevent us from bringing an action in the courts of any other jurisdiction); and
- Waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court and agrees not to claim that such Proceedings have been brought in an inconvenient forum or that such court does not have jurisdiction over it.

Waiver of immunity and consent to enforcement

You irrevocably waive to the fullest extent permitted by applicable law, with respect to yourself and your revenue and assets (irrespective of their use or intended use) all immunity on the grounds of sovereignty or other similar grounds from suit; jurisdiction of any courts; relief by way of injunction, order for specific performance or for recovery of property; attachment of assets (whether before or after judgment); and execution or enforcement of any judgment to which you or your revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agree that you will not claim any immunity in any Proceedings. You consent generally in respect of any Proceedings to the

giving of any relief or the issue of any process in connection with such Proceedings, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

I / WE HAVE READ, UNDERSTOOD AND AGREE TO THE TERMS SET OUT ABOVE.