

IB Agreement

*The Company assumes no liability for any representations made by the IB/Agent in the course of marketing the Company's services. This Agreement does not constitute an agency agreement between the Company and the IB/Agent, and the IB/Agent is not authorized to act on behalf of the Company.

The Responsibility of the Introducing Broker

1. The Responsibility of the Introducing Broker

*The IB/Agent may refer/introduce any party to the Company for the purpose of enabling that party to trade FOREX/METALS/CFDs contracts through the electronic platforms provided by the Company. IB/Agent is responsible for being fully versed in all available Company forms, documents, procedures, and practices, in order to be an informative and helpful resource for the Introduced Clients. IB/Agent acknowledges that he will comply with all current and prospective rules and regulations promulgated by all relevant regulatory bodies.

2. Proof of Referral

2. IB/Agent shall use the documentation, terms, and conditions provided by the Company when introducing the parties that open accounts in the Company. Evidence of the fact that the Client has been referred by the IB/Agent shall be provided by the Client in the following way: the IB/Agent's name must be present in the "Referral Information" section of the Introduced Client's' account application. Documents prepared specifically for the IB/Agent shall have this field automatically filled in; however, the Introduced Clients using non-IB-specific documents must fill this field in themselves. Failure to do so shall cause such Introduced Clients to be registered without an IB/Agent.

3. Disclosure to the Introduced Clients

3. The IB/Agent shall disclose to the Introduced Clients that he or she is the IB/Agent of the Company, and is not, in fact, employed by or affiliated with the Company. The IB/Agent and the IB/Agent's employees shall make no attempt to deceive or confuse the Introduced Clients into thinking that they are employed by or affiliated with the Company. The IB/Agent shall disclose to the Introduced Clients that he or she is compensated by the Company for its referral of the Introduced Clients based on the Introduced Clients' volume of trading activity. If the IB/Agent is compensated by the additional commission on the Introduced Clients' accounts, the Introduced Clients must be clearly notified of this as well, and must consent to the commission by placing their signature upon the Referral Addendum document describing such commission. The IB/Agent must also inform the Introduced Clients that third-party deposits are not allowed. All of the above disclosures must be announced to the Introduced Clients at least, but not limited to, through placing prominent disclosures upon the IB/Agent's website (if any) and account opening documentation. The Company may, in its absolute discretion, accept or decline the Client's application to open a live trading account with the Company.

4. The Introduced Client's Rights

4. In case of necessity, the Introduced Client may leave the group of his or her IB/Agent and/or move his or her profile and/or trading account(s) under another IB/Agent. The Company shall not interfere with the Introduced Client's decision. In order to leave the group, the Introduced Client shall send an official request, containing the reason for such a decision, to Company's email address: support@kiteforex.com. In order to move the profile and/or trading account(s) to another IB/Agent group, the Introduced Client shall send a request to support@kiteforex.com mentioning trading account(s) numbers, if any, and the new IB/Agent's UID and/or IB account number.

4.2. The Company reserves the right to resolve disputable situations between the Introduced Client and the IB/Agent(s).

5. Adherence to the Code of Conduct

5. The IB/Agent shall strictly adhere to the Company's code of conduct and ethical standards, making only

y honest and accurate representations about OTC FOREX/METALS/CFDs services offered by the Company.

6. Termination

6.1. Under normal circumstances, termination of this Agreement may be initiated by either party, by giving one (1) day written notice to the other.

6.2. Actions leading to exclusion from the IB related programs include, but are not limited to:

- usage of strategies aimed at intentional increase of trading volume on IB account(s), including, but not limited to, hedging strategies;
- usage of strategies aimed at intentional increase of trading volume on referrals' account(s), including, but not limited to, hedging strategies;
- usage of any fraudulent methods aimed at intentional increase of trading volume on client accounts.
- trading from two or more cabinets with any connection discovered between them (on a basis of the same IP address, devices), using anonymity tools (such as proxy servers, VPN-networks, decentralized/hybrid networks, Tor, specialized software)
- misrepresentation of the IB/Agent as a primary broker or market maker, member of a regulatory agency, employee or representative of the Company;
- claims of endorsement by any regulatory agency;
- fraudulent claims to guaranteed returns from FOREX/METALS/CFDs trading;
- false representation as to success in FOREX/METALS/CFDs trading or as to returns that may be earned;
- any other misstatement about the Company or the FOREX/METALS/CFDs business.

6.3. In such cases, the Company reserves the right, at its sole discretion, to exclude the IB/Agent from the IB Program and/or other IB related programs, including, but not limited to, a Sub-IB program, for the violation of the IB Agreement terms, without prior notice. The Company, at its sole discretion, may deny any repeated requests for the participation of the IB/Agent in any IB related programs.

7. Compensation

7.1. The Company shall compensate the IB/Agent for trading volume generated by the Introduced Clients referred by this IB/Agent, as per the IB/Agent Compensation Schedule stated on the Company website. The compensation schedule may be changed by the Company at its sole discretion.

7.2. The percentage of the accrued IB Commission shall depend on the number of IB's/Agent's Active Clients:

- 1 (one) Active Client - 80% of the IB Commission stated on the Company website;
- 2-3 (two to three) Active Clients - 90% of the IB Commission;
- 4 (four) or more Active Clients - 100% of the IB Commission.

7.3. The Active Clients are the referrals whose equity is at least \$10 (ten dollars) at the moment of IB Commission accrual.

7.4. The compensation shall be paid for the trades that are held for at least 180 (one hundred and eighty) seconds. The minimum trade size to receive compensation is:

- 105 points for XAUUSD (Standard/Cent);
- 150 points for XAUEUR (Standard/Cent);
- 90 points for XAUUSD& (Interbank Standard / Interbank Cent);
- 135 points for XAUEUR& (Interbank Standard / Interbank Cent);
- 150 points for XAUUSD.s (Start);
- 210 points for XAUEUR.s (Start);
- the distance equal to a triple spread but not less than 3 (three) points for other pairs.

7.5. The compensation paid for hedging positions equals 50% (fifty percent) of the commission stated on the Company's website.

7.6. The maximum payment of IB commission for 1 (one) position/order for XAGUSD and XAUUSD is \$17 (seventeen dollars), for XAUEUR \$15 (fifteen dollars).

7.7. The IB Commission allocated for trading on accounts with bonuses is paid according to the ratio of balance to the sum of balance (at the moment of order closing) and credit when the Net Deposit of the client is negative. The IB Commission is paid in full when the Net Deposit of the client is positive.

7.8. The IB/Agent understands and accepts that the IB Commission might be limited partially or completely for trades made on accounts with active credit bonus(es). The calculation of IB Commission on such accounts shall be made using the principle of equity participation of credit and Client's personal funds. Each bonus promotion might have unique terms. For more details, contact the FXCL Support Team.

7.9. The IB/Agent shall remain eligible to receive a commission generated by the trading volume of the Client referred by this IB/Agent, except in the event of termination of this Agreement by the Company for the IB's breach of the provisions of this Agreement. The IB/Agent understands that the Company reserves the right to cease commission payments, at its sole discretion, if the Company determines that the IB/Agent is not adhering to the provisions of this Agreement or to the ethical business conduct and overall business performance that the Company expects from its IBs/Agents.

7.10. The IB/Agent understands and accepts that the Company shall not provide any type of compensation for the Introduced Client's trades, influenced by the IB/Agent in any way, including but not limited to, trades conducted using IB's/Agent's trading signals and/or trades made with the help of Expert Advisor, provided by the IB/Agent.

7.11. The IB may receive compensation only for the Introduced Clients from his or her IB Group.

7.12. The Company shall not be responsible for taxes of any kind levied by any federal, state, county, or city governments assessed against the IB/Agent, resulting from or arising under this Agreement.

7.13. IB and Sub-IB commission is always rounded in accordance with arithmetic rules to the last digit available at the IB account. For non-cent IB accounts, a compensation greater than \$0.005 will be rounded to \$0.01; to zero (0) if otherwise.

7.14. The IB commission is automatically added to IB/Agent's Account after the closure of the eligible Client's trade. The Sub-IB commission is added automatically every day at 00:20 Server Time.

7.15. Any attempts of the Partners to defraud the system by moving the existing retail clients under Sub-IB status with the express purpose of increasing commission, will lead to complete disqualification of this Master-IB from the IB program.

7.16. IB's inactivity is defined as the absence of new referrals introduced for the period of over six (6) months and no logins to the IB account(s) for the same period. As a result of the above, the IB account(s) will be subject to a \$25 monthly inactivity fee.

7.17. During the period when an IB account is in the archive - the IB commission for such IB is not credited to his IB account. After restoring an IB account from the archive - a request should be submitted to the support team to resume receiving the IB commission.

7.18. The Company reserves the right, at its sole discretion, to delay and/or cancel the IB/Agent Commission received for trading that has been performed solely for generating of this IB/Agent Commission. Such actions performed by the IB/Agent and the Introduced Client shall be considered as fraudulent and the Company reserves the right to exclude this Introduced Client from the IB Group and/or exclude the IB/Agent

from the FXCL Partnership Program.

7.19. IB commission is not accrued and added for the trades completed on Contest and Volume Cash account types unless the participants trade with their own funds.

8.Sub-IB

8.1. The Company provides a two-tier compensation system. An Introducing Broker/Agent, that refers another IB/Agent to his or her group, becomes a Master-IB, while a referred IB/Agent becomes his or her Sub-IB. Each Introducing Broker/Agent can be at both levels of the program and be the Master-IB and the Sub-IB simultaneously: the Sub-IB that refers another IB/Agent to the Company, becomes a Master-IB for his or her Introduced Clients; if a referred Client brings a new Client to the Company, the referred Client becomes Sub-IB and his or her IB/Agent becomes Master-IB.

8.2. Both, the Master-IB and the Sub-IB, shall automatically agree to the terms of this Agreement the moment they become Introducing Brokers/Agents. The Company shall not be liable for any agreement made between the Master-IB and his Sub-IB.

8.3. Master-IB receives the IB/Agent commission from the qualified trades of his or her referred Clients and Sub-IBs and the Sub-IB commission from trades of the Clients, referred by his or her Sub-IB. The IB and Sub-IB commission is fully covered by the Company. The size of the IB/Agent and Sub-IB commission falls under the IB Compensation Schedule stated on the Company website.

9.Minimal IB/Agent's and Client's Activity

9.1. In order to be considered an Active IB/Agent, the IB/Agent shall refer at least three (3) different Introduced Clients who are approved and fund their trading accounts. In order to be considered an Active Client, the Introduced Client shall verify his/her Trader's Cabinet, as well as fund his/her trading account and open/close at least one (1) trade during the last three (3) months.

10.Self-compensation

10.1. The IB/Agent cannot add his/her personal account to his/her IB group. In case the Company discovers that the data on the Introduced Clients' and IB/Agent's accounts, such as name, address, and/or IP address, matches, the Company reserves the right to exclude this Client from the IB group and withdraw the IB commission received for self-trading.

11.Withdrawing of Compensation

11.1. The MetaTrader5 {own}trading platform used by the Company is equipped with a reporting functionality which allows the IB/Agent to generate reports of trading volume produced by their Introduced Clients, as well as the amount of commission owed to the IB/Agent by the Company. The IB/Agent may withdraw his or her compensation any moment by creating a withdrawal request in his or her Trader's Cabinet. The withdrawal request shall be processed according to the Company's withdrawal rules and conditions.

12.Compensation Disputes

12.1. If the IB/Agent wishes to dispute the number of trades or compensation, indicated in the trading platform's reports or in the Trader's Cabinet reports for the previous months, the IB/Agent may do so within thirty (30) calendar days. Failure of the IB/Agent to notify the Company of his or her disagreement with the information provided by the trading platform or in the Trader's Cabinet within this allotted time period shall constitute conclusive evidence of the IB/Agent's acceptance of such information. After thirty (30) calendar days the IB/Agent's disputes for prior months shall not be accepted.

13.Proprietary Information

13.1. The IB/Agent shall have no right, claim, or ownership interest in the proprietary information of the Company. The IB/Agent specifically acknowledges that the information imparted by the Company to IB/Agent is confidential and has been developed by the Company through the expenditure of substantial skill, time, effort and money. The IB/Agent shall not publish, distribute, or otherwise make available to third parties any information derived from or relating to any copyright, trademark, trade secret or other intellectual property rights belonging to the Company without the prior written approval of the Company. The IB/Agent will not copy, modify, decompile, reverse engineer, or make derivative works of the above material or intellectual property.

14. Promotional Materials

14.1. The IB/Agent must discuss with and receive approval from the Company of his or her any marketing campaigns and promotions. The Company reserves the right to veto the use of this material if the Company deems that the material may be misleading or falsifying the truth about FOREX/METALS/CFDs trading or otherwise misinforms the Introduced Client about the financial risk of leveraged trading and/or trading on margin. If the IB/Agent runs or operates a website or websites for the purpose of acquiring the Introduced Clients for the Company, the IB/Agent agrees to be liable for the information posted on his or her website and agrees to list the websites' URLs hereafter. The IB/Agent agrees to provide the Company with timely information about additions to or changes in his or her website content. The IB/Agent will provide the Company with the URL of any new website he or she may launch.

15. High-Pressure Sales Tactics

15.1. The IB/Agent is prohibited from employing high-pressure sales tactics against the Introduced Clients referred to the Company. The IB/Agent acknowledges that the IB/Agent's Introduced Clients are the Clients of the Company and that the Company has the right to contact the IB/Agent's Introduced Clients as it would any other of its Clients; and specifically to verify that no misrepresentations or any other improprieties have been employed in encouraging the Introduced Client to open an account or to trade with the Company.

16. Term

16.1. The term of this Agreement shall be for a period of twelve (12) months, commencing on the date of this Agreement is accepted by the IB/Agent and will be automatically extended until further notification. In the event of termination of this Agreement for any reason, the IB/Agent shall promptly destroy all of the information and materials the IB/Agent obtained or received from the Company as a result of the relationship created by virtue of this Agreement, or return them to the Company if requested to do so.

17. Amendment

17.1. The Company reserves the right to amend this IB Agreement at any time without prior notice. Amended Conditions are published on the Company's website.

17.2. This Agreement shall be interpreted under the laws of St. Vincent and the Grenadines without regard to its conflicts of laws and principles. Venue for any dispute between the parties hereto shall be limited to the Arbitration Court in St. Vincent and the Grenadines, and each of the parties hereby consents to jurisdiction over it in those courts as to any dispute under this Agreement.

18. Terms of Exclusivity

18.1. The IBs/Agents may receive exclusivity for their cities (there could be up to three (3) exclusive IBs for a city/region/country depending on the city's population) if they bring at least one hundred fifty (150) new Introduced Clients (not trading accounts from the same Introduced Clients) during the first six (6) months. In such case, the IB/Agent may receive exclusive rights for his or her city/region/country. The terms of ex

clusivity are developed individually for each IB/Agent and may be changed at any moment by the Company. The Company has the right to withhold such Exclusivity at any time if the IB/Agent doesn't comply with minimum requirements

19. Language

19.1. This Agreement, as well as company terms, conditions, and policies, may be translated into other languages but, in the event of any inconsistency or ambiguity as to the meaning of any word or phrase in any such translation, the English text shall prevail.