

Pelican Exchange Limited

November 2019

TERMS OF USE

These terms of use (**'Terms'**) apply to the Pelican Exchange website at www.pelicanexchange.com (**'Site'**) and the Pelican Exchange Application at <https://itunes.apple.com/gb/app/pelican-exchange/id1071705915?mt=8> and https://play.google.com/store/apps/details?id=com.pelicanexchange&hl=en_GB (**'App'**), Please read them carefully. We recommend that you print off a copy of these Terms, or store them in your computer or other device, for future reference.

1. ABOUT US

a. We are Pelican Exchange Limited ('Pelican Exchange' or **'we'**, **'us'** or **'our'** as appropriate), a limited company incorporated in England and Wales, company number 09437275, and trading under the name "Pelican Exchange" and "Pelican". Our registered office is 85 Great Portland Street, First Floor, London, W1 W7LT, company number OC345870 and our business address is WeWork Southbank Central, 30 Stamford St. SE1 9LQ. Pelican Exchange Limited is an Appointed Representative of London and Eastern LLP which is authorised and regulated by the Financial Conduct Authority ("FCA") with respective FCA registration numbers 739090 and 534484.

b. We provide a number of services to our Members (as defined below) who enter into spread bet (**'Spread Bet'**), contract for difference (**'CFD'**), foreign exchange transaction (**'Forex'**) and share dealing (**'Share Purchase'**) transactions (**'Transactions'**) with Transaction providers with whom we have partnered (**'Transaction Providers'**). We do not provide Members with advice or recommendations relating to any particular Transaction, any Transaction Provider, any Followed Member (as defined below) or any security underlying a Spread Bet, and you will not be entitled to ask us to provide to you any advice or recommendation in relation to any Transaction or to make any statement of opinion or encourage you to enter into any particular Transaction.

b. Although the Site/App provides links to Transaction Providers, it does not itself provide facilities for Transactions. All Transactions are executed by the Transaction Providers on their own terms and conditions, to which the Member will be subject.

2. ABOUT THE SERVICE

a. The Site/App gives general information about the Service and its features that are available to registered users of the Site/App (**'Members'**).

b. The features of the Service that are available to Members include:

'Groups and Chats' is a feature of the Service that allows Members to chat and share live trade notifications with other Members.

'Copying' allows you to select another Member's trade and copy the parameters. Parameters include: direction, market, stop and limit.

'Challenging' allows you to select another Member's trade and copy the parameters, but take opposite direction. Parameters include: market, stop and limit.

'Create Groups and Chats' allows Members to invite their friends to join up to the Service. This is a two-step process. First, you send us your friend's name and email address or mobile phone number,

then we contact the friend, telling them who we are, and inviting them to visit the Site. When we contact your friend, we always advise them of the name of the friend who made the original referral. We will not use your friend's details for any other purpose.

'Following' provides a Member with direct access to the Transactions of another Member (a 'Followed Member').

'Member Statistics' is a feature of the Service that presents information about a Member's trading performance. This information does not constitute financial advice.

'Messenger' is a feature of the Service which allows Members to message other Members, depending on the privacy restrictions selected. All messages sent using this feature are recorded.

b. We also provide functionality that allows certain Members (expert traders or "Mentors") to charge for access to their Groups (see section 8 below). Otherwise, the Service is free of charge to Members.

c. We may add further features to the Site/App, or amend the features of the Site/App, from time to time.

3. MEMBERSHIP REGISTRATION

a. The Service is available only to Members.

b. To register as a Member you must be 18 years of age or over and agree to abide by these Terms.

c. For details of how you register for the Service, see <http://www.pelicanexchange.com>.

d. When you register for the Service, we will ask you to confirm that:

i. you are 18 years old or over;

ii. all information about yourself that you give to us from time to time is true, complete and accurate;

iii. you understand the nature of spread betting, CFD trading, Forex trading and share dealing, and have read the Risk Disclosure Statement, and in particular you understand that in relation to a Spread Bet, CFDs and Forex trades you may be exposed to a loss which is greater than your initial outlay;

iv. you have regular access to the internet and have provided to us a valid email address which we can use to communicate with you; and

v. you consent to the provision to you of information and the Service, as well as invoices and statements of account, via the Pelican Exchange website and by e-mail communication to the e-mail address you provide to us from time to time.

e. The Pelican Exchange Privacy Policy forms a part of these Terms and explains how information collected during registration may be used by Pelican Exchange and its partners.

f. By ticking the 'I Accept' box and pressing 'Sign Up' as part of the registration process, you consent to be bound by these Terms, and there is a legally binding contract between you and us ('Contract'), subject to your right of cancellation (see below). If you do not agree to all of these

Terms, you must not tick the box 'I Accept' and press 'Sign Up', and you will not be entitled to register as a Member for the Service.

g. We will send you confirmation of your registration by e-mail to the email address you have given.

h. If you are a consumer, you have a right to cancel the Contract under the United Kingdom Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 for a period of fourteen (14) days from the date when the Contract is made, by giving us notice by post or email to the address or email address shown below, or by phone to the telephone number shown below. You can use the cancellation form we provide when we send you email confirmation of your registration, but it is not obligatory. During the cancellation period we cannot begin to provide the Service to you unless you expressly request us to do so, and acknowledge that your right to cancel the Contract will be lost where the Service is fully performed within the cancellation period. We will ask you to do so by ticking the box as part of the registration process.

4. FCA RULES

a. The Service is subject to the rules set out in the FCA Handbook , for which see <https://www.handbook.fca.org.uk/> ('FCA Rules'). References to the FCA include any organisation which replaces the FCA or takes over the conduct of its affairs, and references to the FCA Rules are as varied, substituted or amended by the FCA from time to time.

b. We will treat you as a Retail Client (as defined in the FCA Rules) unless you satisfy the definition of Professional Client (as defined in the FCA Rules) or Eligible Counterparty (as defined in the FCA Rules) in which case we may notify you that we will treat you as such.

c. You may request a different client categorisation from the one we have allocated to you although we may decline such request. If you do request a different client categorisation and we agree to such request, you may lose the protection afforded by certain FCA Rules.

d. We are required as part of our anti-money-laundering obligations to the FCA to identify users of the Service. We will therefore ask questions to all Members which will help identify who they are. We will also use third parties to run electronic checks on members' identification, and may request further scanned documentation in order to verify a Member's identification and residency.

5. TRADE NOTIFICATIONS

a. Groups and Chats allow members to receive financial trading information from Members of your group(s) ('Trade Notifications').

b. When receiving trade notifications from another Member, you accept that:

- i. past performance of a selected account is no indication of future performance;
- ii. information received from a Member may be part of a wider trading strategy, the full details of which are not available;
- iii. Pelican Exchange will not be liable for any losses incurred as a result of action taken by you from information available on the Site or App;
- iv. by providing to you information received from a Member, neither Pelican Exchange nor the Member is providing to you any advice or personal recommendation or any financial promotion in relation to any Spread Bet, CFD, Forex trade or Share Purchase, any

Transaction Provider, the relevant Member or any security underlying any Spread Bet, CFD, Forex trade or Share Purchase;

- v. the speed at which Trade Alerts arrive from a Member can vary, and while Pelican Exchange takes reasonable steps to ensure the fastest speed of delivery it cannot guarantee that Trade Notifications will arrive in a timely manner; and
- vi. because the Trade Alerts are provided by third parties, Pelican Exchange cannot guarantee their accuracy, completeness or reliability, or that they will actually be sent or received, and while Pelican Exchange takes reasonable steps to ensure their provision, it accepts no liability in this respect.

6. TRADE ALERTS

a. Trade Alerts are notifications sent by Pelican Exchange to you notifying you of trades made by Members. Trade Alerts may contain information which includes but not limited to:

- i. Name of Member
- ii. Time and date we receive the notification
- iii. Market traded
- iv. Direction (bought/sold or up/down)
- v. Price at which the market was traded
- vi. Stop loss
- vii. Profit limit (if appropriate)

b. Trade Alerts are sourced from Transaction Providers, who are independent third parties. Because of this you accept that:

- i. neither Pelican Exchange nor the Member is liable for the accuracy of the information contained in a Trade Alert;
- ii. neither Pelican Exchange nor the Member is liable for the speed at which a Trade Alert is received by you; and
- iii. by providing the Trade Alert to you neither Pelican Exchange nor the Member is providing to you any advice or personal recommendation or any financial promotion in relation to any Spread Bet, CFD, Forex trade or Share Purchase, any Transaction Provider, the relevant Followed Member or any security underlying any Spread Bet;

7. GROUPS AND CHATS

a. When you participate in the Groups and Chats, we will provide clear information to you about the kind of service offered. We will do our best to assess any possible risks for users, but we are not responsible for content posted within these Groups, and we do not endorse any of the material contained in them. The content contained within them does not form part of the FCA regulated content within the Site/App.

b. By participating in Groups you accept and agree that neither Pelican Exchange nor any other Member is providing to you any advice or personal recommendation or any financial promotion in

relation to any Spread Bet, CFD, Forex trade Share Purchase, Transaction Provider, Followed Member or any security underlying any Spread Bet, CFD, Forex trade or Share Purchase.

c. Communication between Members in Groups is an additional part of the Service. In order to protect Members, we may monitor, record, edit or delete Groups without giving notice to you, although we are under no obligation to do so. We reserve the right to terminate your Membership or remove any post without notice if you undertake any activities prohibited by these Terms.

d. When engaging in Groups and Chats, you must not:

i. post any content which contravenes these Terms;

ii. disrupt Groups in any way, such as by:

1. intentionally causing the Groups' screen to scroll faster than other Members are able to read, or setting up macros with large amounts of text that, when used, can have a disruptive effect on the normal flow of Groups;

2. posting commercial solicitations and/or advertisements for goods and services including spam, chain letters, unsolicited marketing material, advertise investment services, offer to buy, sell or broker an investment, violate the rules of the London Stock Exchange or the FCA; or

3. sending repeated unsolicited or unwelcome messages to a single Member or repeatedly posting similar messages in a Group, including continuous advertisements to sell goods or services; and

iii. use bots or other automated techniques to collect information from a Discussion Group.

e. By using the Groups you grant to Pelican Exchange and its successors a non-exclusive, worldwide, royalty-free, perpetual and irrevocable licence to use, display, distribute and reproduce in whole or in part in any media any posts you may publish in the Discussion Groups.

8. PAID-FOR GROUPS

a. We may at our discretion permit any Mentor to create a Group which other Members must pay a subscription charge to join ("Paid-for Group"). In this case:

i. the amount of the monthly subscription will be stated on the Paid-for Group introduction page;

ii. the Member will be asked to enter their bank details and agree to pay the charge in advance immediately upon joining the Paid-for Group;

iii. the Member will be charged in advance every 30 days from the date they first joined the Paid-for Group;

iv. any Member can leave the Paid-for Group and unsubscribe at any time, by selecting "Settings>Exit Group", in which case their access to the Paid-for Group will be terminated with immediate effect, but they will not be entitled to a refund if they leave midway within any 30 day period;

v. Mentors are under no obligation to be active during any relevant period during which a Paid-for Group is set up;

- vi any information to which a Member is given access through membership of a Paid-for Group should not be interpreted as either investment advice or a personal recommendation or an incentive or inducement to trade by either Pelican Exchange or the Mentor, nor is it a financial promotion;
 - vii Members must be aware that historic information and any synthetic/simulated/past performance statistics made available within the Paid-for Group are for illustrative purposes only and should not be taken in any way as an indication of future performance or definitive information, and Members who choose to replicate (copy) a trade do so entirely at their own risk;
 - viii information on the wall of the Paid-for Group may only be a representation of part of the Mentor's trade activity.
- b. Where we permit a Mentor to set up a Paid-for Group:
- i the Mentor will be required to create and connect a Stripe account to handle payment and collection of subscription charges;
 - ii the subscription charges will be paid directly into the Mentor's bank account;
 - iii we will charge the Mentor a commission fee equal to 25.6% of the gross subscription cost (including the Stripe processing cost), which will be payable at the same time the members' monthly subscription charge is paid;
 - iv Mentors must not to promote, embellish or talk up their performance in any chats, blogs, electronic messaging or any medium (for instance, by making any reference to future profitability), but if they do so we reserve the right to shut down the Paid-for Group and close down the Mentor's account immediately.
- c. We may at our discretion agree with certain Mentors to pay them a rebate on the commission fee charged under 8.b.iii above, based on the commission we receive from any participating prime broker that may be engaged from time to time for trades by the Mentor that are copied by other Members, provided that:
- i we reserve the right to end this rebate arrangement at any time with no prior notice to the Mentor, and are under no obligation to pay any rebates should we decide not to do so;
 - ii we will pay the rebates in a timely manner (and will typically attempt to pay the rebates 30 days after receipt of commission from the prime broker) but are not bound by any time constraint;
 - iii as we are bound to operate within our Part4a permission under the Financial Services and Markets Act 2000 as shown on the Financial Services Register, this may affect the terms under which rebates are paid, and we therefore reserve the right to adjust or terminate any rebate arrangement with immediate effect should changes to the regulatory framework make it necessary in our opinion;
 - iv where we grant a rebate, payment will be made to the Mentor's nominated bank account (or, at our discretion, to the Mentor's Stripe account), but in each case an invoice will be required before payment can be made.

9. YOUR USE OF THE SERVICE

a. You must not:

- i. disclose your username or password to anyone else (we will never ask you for your password by telephone or email);
- ii. post any content to the Site/App which may reasonably be regarded as offensive, unlawful, threatening, abusive, harassing, defamatory, obscene, sexually explicit, or racially, ethnically or otherwise objectionable (please note that using a misspelling or alternate spelling of a word will not circumvent this requirement);
- iii. post any material that contains a virus or other malicious code;
- iv. post any other person's personal information;
- v. publish any material subject to third party copyright ownership;
- vi. add links on the Site or App to other websites or applications which may contain defamatory, obscene or otherwise unlawful material;
- vii. use the Site or App to harass, threaten, stalk, embarrass or cause distress, unwanted attention or discomfort to any other Member or any other person;
- viii. leave your browser logged on to the Site or App open without your attendance so that unauthorised persons might be able to access the Service without your knowledge;
- ix. exit from the Site or App without properly logging off using the "Logout" link;
- x. copy, in whole or in part, any of the information on the Site or App (including any information about other Members) other than for the purposes contemplated by these Terms;
- xi. permit or create unauthorised framing of, or deep linking to, the Site or App from another website under your management or control;
- xii. exploit the Service or any part of it for any commercial purpose, including any advertisement for your own or any other person's products and services;
- xiii. copy, adapt, modify, reverse engineer, disassemble or decompile any of the software underlying the Site or App; or
- xiv. create or maintain any unauthorised connection to the Site or App.

b. You must ensure that any content you post on the Site or App does not infringe the intellectual property or other rights or any other person or violate any applicable laws.

c. You must not copy, reproduce, modify, create derivative works from, create links to, transmit, distribute, collect information from the Site or App to incorporating it into your own database or products, publish or otherwise publicly display any content without our prior written consent. If you undertake any of these prohibited activities we put you on notice that you are breaching our and our licensors' intellectual property rights in the information and we reserve the

right to take action against you to uphold our rights, which may involve pursuing injunctive proceedings.

d. You must not:

- i. make the App available to any other person without prior written consent from us;
- ii. copy the App, except as necessary for back-up or security;
- iii. modify the whole or any part of the App, or permit it to be combined with, or become incorporated in, any other programs, except as necessary to use the App on devices as permitted in these Terms;
- iv. attempt to reverse engineer the App (except as permitted by law);
- v. use the App in any unlawful manner or for any unlawful purpose;
- vi. use the App in a way that could damage, disable, overburden, impair or compromise our systems or security or interfere with other users; or
- vii. collect or harvest any information or data from the App or our systems or attempt to decipher any transmissions to or from the servers running the Service.

e. You may only use the Service for lawful purposes.

f. You must notify us immediately if you become aware of any unauthorised use of the Service or the Site or App.

g. We may take down from the Site or App or edit any content if we reasonably believe it contravenes these Terms.

10. INTELLECTUAL PROPERTY RIGHTS

a. The Site/App and its contents are protected by intellectual property rights including copyright, trademarks and other intellectual property rights. Those rights are protected by laws and treaties around the world. We reserve all our rights in such intellectual property.

b. Except as expressly permitted by these Terms or as otherwise agreed with us, you may not copy, disseminate, or download any content of the Site/App.

11. AVAILABILITY OF THE SERVICE

a. We reserve the right to suspend the Site or App at any time for operational, regulatory, legal or other reasons.

b. We cannot guarantee that the Site or App will be available at all times without interruption. Although we make reasonable attempts to ensure that the server that makes the Site/App available is bug and virus free, we cannot provide any guarantee in this respect.

c. We may terminate your use of the Site or App with immediate effect if you breach any of these Terms.

12. LIABILITY

a. We will provide the Service using reasonable care and skill and in the manner we have agreed with you, unless we are prevented from doing so by circumstances beyond our reasonable

control. We also warrant that the App will be as described, fit for purpose and of satisfactory quality. However, we do not guarantee that the Service will meet your expectations or requirements.

b. If your computer equipment does not support relevant technology, including encryption, you may not be able to use certain services or access certain information on the Site/App.

c. Where messaging services are available on the Site or App, we will not be responsible for any failure of electronic messages or images (whether via the internet or SMS) sent through the Site or App to reach your intended recipient.

d. The Site and App is accessed via the World Wide Web. Your use of the World Wide Web is at your own risk and subject to all applicable national and international laws and regulations. Owing to the nature of the Internet and the fact that your access to our Site and the App involve functionality outside our control, we cannot be held responsible for technical problems that you may experience with our Site or the App. We do not represent that the Site/App is appropriate or available for use in any jurisdiction other than the United Kingdom. Our Site and the App are not aimed at persons who are residents of any country where the provision of any information shown on our Site or the App is forbidden.

e. While we try to use all reasonable care in providing access to our Site and the App, we cannot be held responsible for any corruption or loss of data held on your computer or your mobile phone or other device, or any damage caused to your computer or your mobile phone or other device resulting from your use of our Site or the App.

f. The content on the Site and App has been compiled from a variety of sources, and is subject to change without notice. We have taken reasonable care in compiling and presenting the content of the Site/App to ensure that the information supplied on the Site/App is an accurate reproduction of the material from which it is sourced. However, we cannot guarantee that all information (in particular market data) will be free from errors, omissions or inaccuracies.

g. We will not have any liability arising out of or in connection with the Service, the Site or the App for:

i. any loss of profit or business losses; or

ii. any losses arising out of your use of or inability to use the Service or the Site/App, any delay in the performance of the Service or any defect in the Service, due to events outside our reasonable control; or

iii. any unforeseeable losses.

h. We do not seek to exclude or limit our liability for death or personal injury caused by negligence, or for fraudulent misrepresentation, or any other liability which may not be excluded or limited by law.

i. Nothing in this Agreement will exclude or limit any of your legal rights if you are a consumer.

13. LINKS TO THIRD PARTIES' SITES

a. The Site or App may provide links to other websites including the websites of Transaction Providers. Selecting any of these links will direct you to a website that is not related in any way to us. We take no responsibility for the content contained on any such website and the link to these

other websites does not imply an endorsement, financial promotion or recommendation of the website, its products or services.

b. Before supplying any personal information to any other website, we recommend that you check that website's privacy policy. We do not accept responsibility for the protection of any data supplied to other websites.

14. CONFLICTS OF INTEREST

a. You acknowledge that we and our Associated Companies provide a diverse range of financial services to a broad range of clients and counterparties and circumstances may arise in which we, our Associated Companies or a Relevant Person (as defined in the FCA Rules) may have a material interest in a Spread Bet, CFD, Forex trade or Share Purchase that you may enter into using a Transaction Provider.

b. We are required by law to identify conflicts of interest between us, our Associated Companies and relevant Persons and Members or between Members that arise in the course of operating the Site/App. The following are examples of material interests and conflicts of interests:

- i. You may, having entered the Site or App and used the Service, by clicking through a link, enter into a Spread Bet, CFD, Forex trade or Share Purchase with an Associated Company;
- ii. Subject to the FCA Rules, we may pay to and accept from third parties (and not be liable to account to you) benefits, commissions or remuneration which are paid or received as a result of you using the Site/App or clicking through to a Transaction Provider; in particular we may receive payments from Transaction Providers.

c. We have in place organisational and administrative controls to manage the conflicts of interest identified above so we can be reasonably confident that risks of damage to Members can be prevented. These are set out in our Conflict of Interests Policy which is available upon request d. Except as mentioned above, we are not obliged to tell you of any conflict arising provided we have managed the conflict in accordance with our Conflict of Interests Policy, but we will do so if we do not consider our Conflict of Interests Policy is insufficient to manage such a conflict. We are not under any obligation to account to you for any profit, commission or remuneration made or received from or by reason of your use of the Services or your accessing any Transaction Provider via the Site and App.

e. You acknowledge that you are aware of the conflicts referred to in this clause and consent to us acting notwithstanding any such conflict.

f. In this clause, 'Associated Company' means any holding company or subsidiary company (as defined in the Companies Act 2006) from time to time of ours or any subsidiary company of any such holding company or its subsidiaries. Please contact us if you require any further explanation.

15. TRANSFERRING RIGHTS AND DUTIES UNDER THE CONTRACT

a. We may transfer our rights and duties under these Terms to another organisation. We will always tell you in writing if this happens and we will ensure that the transfer will not affect your rights under the contract.

b. Because of the personal nature of the Service, you may only transfer your rights or your obligations under these Terms to another person if we agree in writing.

16. GENERAL INFORMATION

a. We reserve the right to change the way our Site and/or the App works from time to time and to withdraw any features of the Service or the content provided on our Site and/or the App without giving notice. We will not be liable for any loss or damage arising as a result of changes made to the Site or the App.

b. We reserve the right to change any of these Terms from time to time without prior notice. Any change will become effective immediately upon posting to the Site or App. By continuing to use the Site, you accept any such change.

c. Unless otherwise stated in these Terms, all notices from you to us must be in writing (including email, but not other forms of electronic communication) and sent to [info@pelicanexchange.com] or the address given below. All notices from us to you will be sent by email to the email address you have supplied.

d. The language of these Terms is English and Pelican Exchange will communicate with you in English.

17. TERMINATION

a. You agree that Pelican Exchange may terminate without prior notice your membership and restrict your access to the Service (or any part of it) without limiting any other rights or remedies that Pelican Exchange may have if you have breached these Terms.

b. You may terminate your Membership at any time by sending an email to support@pelicanexchange.com.

18. APPLICABLE LAW AND JURISDICTION

These Terms are governed by English law and the courts of England and Wales will have jurisdiction over any dispute in connection with the Service or these Terms, but that does not affect any legal rights you may have as a consumer under the law of any other part of the United Kingdom, or any other EU member state, where you live, or any right you may have to take legal proceedings there..

19. FURTHER INFORMATION AND COMPLAINTS

a. If you have any queries or complaints regarding the Site or App, or wish to notify us about any aspect of these Terms, please contact us at the postal or email address given in the 'Contact Us' www.pelicanexchange.com/contact.php page on the Site or App in the first instance.

b. If you are dissatisfied with the result of our handling of any complaint you may, depending on the service provided be able to refer your complaint to the Financial Ombudsman Service for further investigation. Any complaint in relation to the placing or handling of a Spread Bet, CFD, Forex trade or Share Purchase should be taken up with the relevant Transaction Provider through which you dealt.

c. We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. Most types of investment business are covered up to the first £85,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

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