



TERMS AND CONDITION

## **INTRODUCTION**

These Terms and Conditions constitute a legally binding agreement governing your access to and use of the website, online platforms, mobile applications, and any other digital or electronic surfaces provided by **OTSO Markets (Pty) Ltd** ("OTSO Markets", "we", "us", or "our"), a financial services provider duly authorised and regulated by the **Financial Sector Conduct Authority (FSCA) of South Africa** under **FSP Number 54190**.

The terms "you", "your", and "yours" refer to the individual(s) or entity(ies) accessing these Terms and Conditions, including any third party you are authorised to represent.

By accessing our Online Services, including but not limited to our website, online trading platform, mobile trading application, and official electronic communication channels, you confirm that you have read and understood all Online Documents. You further acknowledge that OTSO Markets provides trading services as the executing principal. This includes pricing, execution, and settlement of all transactions.

These Terms and Conditions outline the rights, obligations, and responsibilities of both parties in relation to the trading services we provide, ensuring transparency and compliance with applicable regulatory frameworks.

## **KEY PROVISIONS AND ACKNOWLEDGEMENTS**

### **1. Acceptance of Terms**

Your access to or use of our Online Services confirms your full acceptance of these Terms and Conditions, the Online Documents, and any additional notices or policies referenced in them. This acceptance creates a legally binding agreement between you and OTSO Markets.

### **2. Monitoring and Recording**

Your interactions with our Online Services, including account activities and communications, may be monitored, tracked, and recorded for compliance, security, fraud prevention, and quality assurance. By using our Online Services, you consent to such monitoring and recording in accordance with the Protection of Personal Information Act.

### **3. Eligibility for Services**

Some products offered by OTSO Markets may not be available to all clients. Eligibility is assessed based on onboarding requirements and regulatory obligations including the FAIS Act and the Financial Intelligence Centre Act (FICA). OTSO Markets has the discretion to determine eligibility for any product or service.

### **4. Legal and Financial Advice**

These Terms and Conditions contain important information regarding your rights, obligations, and potential risks. You should seek independent legal, financial, or other professional advice before using our services. If English is not your first language, you should seek appropriate assistance to ensure full understanding.

## **5. Third Party Representation**

If you access our services on behalf of another person or organisation, you confirm that you are properly authorised to act for that party and will provide supporting documentation when requested. Unauthorised access or misuse of our Online Services may result in suspension or termination of access and may give rise to legal consequences.

## **6. High Risk Nature of Products**

OTSO Markets provides access to leveraged derivative products, including Rolling Spot Forex and Contracts for Differences (CFDs). These products involve a high level of risk and may result in losses that exceed your initial investment. You should carefully review the Risk Disclosure Notice and trade only if you fully understand and accept the risks involved.

**THIS IS A LEGALLY BINDING CONTRACT. YOU SHOULD NOT ACCEPT OR USE OUR SERVICES UNTIL YOU HAVE READ, UNDERSTOOD, AND AGREED TO ALL APPLICABLE DOCUMENTS, INCLUDING THE TERMS AND CONDITIONS, RISK DISCLOSURE NOTICE, PRIVACY POLICY, AND THE OTHER RELEVANT LEGAL POLICIES.** Your acceptance of these Terms and Conditions confirms that you have reviewed and understood the Risk Disclosure Notice, the Trading Policies, and all relevant documentation. You also represent and confirm that all information you provide in your Client Account Application is accurate, complete, and current, and you agree to notify us without delay if any information changes.

## **1 INTRODUCTION AND GENERAL PROVISIONS**

These Terms and Conditions set out the terms on which **OTSO Markets (Pty) Ltd** (Registration Number: 2024/083762/07), under FSP Number 54190, a South African entity authorised as a Financial Services Provider under the FAIS Act, provides trading services to you as the Client. These services include access to leveraged financial derivative products through the official website in accordance with South African regulatory requirements and industry standards.

### **1.1 Regulatory Framework**

OTSO Markets is authorised and regulated by the **FSCA** under **FSP Number 54190**. Our operations comply with the FAIS Act, the FICA, and other applicable South African laws. These regulatory obligations apply to the trading services that OTSO Markets provides as the principal.

### **1.2 Client Due Diligence**

Before entering into this Agreement, we are required to collect information regarding your financial situation, investment objectives, and risk tolerance in accordance with the FAIS Act and the FICA. This information is necessary for Know Your Customer (KYC) and Anti-Money Laundering (AML) compliance. You agree to provide accurate and complete information and to update us without delay if any information changes.

### **1.3 Supersession of Prior Agreements**

These Terms and Conditions replace all previous agreements or

understandings between you and OTSO Markets relating to the trading services provided by OTSO Markets.

#### **1.4 Amendments and Updates**

We may amend or update these Terms and Conditions at our discretion. Notice of any amendment may be provided through our official website, email, or other electronic communication and will take effect on the specified date or immediately if no date is provided. Amendments may be required due to regulatory changes, market conditions, or updates to our operational policies.

#### **1.5 Availability of Terms**

A current and complete version of these Terms and Conditions will always be accessible on our official website: <https://otsogroup.com/official/>, ensuring transparency and ease of reference.

#### **1.6 Notification of Changes**

You agree to notify us immediately of any changes to the information you have provided, including information in your account opening documents, contact details, financial circumstances, employment status, or tax residency. Failure to update your information may affect your ability to access trading services or comply with regulatory requirements.

#### **1.7 Verification and Investigation**

By accepting these Terms, you authorise OTSO Markets or our appointed agents to verify your identity, credit standing, and investment history. This may include contacting banks, financial institutions, credit bureaus, or other relevant parties. You also authorise OTSO Markets to review your current and past investment activities for regulatory compliance.

#### **1.8 Consequences of Violation**

Any breach of these Terms, including unauthorised access, fraudulent activity, or misuse of our services, may result in immediate suspension or termination of your account, forfeiture of funds where permitted by law, and possible reporting to regulatory authorities.

#### **1.9 Jurisdictional Compliance**

You are responsible for ensuring that your use of our Online Platform and access to trading services complies with the laws of your jurisdiction. OTSO Markets does not provide services to residents of restricted jurisdictions, including but not limited to the United States, North Korea, Iran, Syria, Cuba, Sudan, Zimbabwe, and Crimea. Unauthorised use of our services in restricted jurisdictions is prohibited and may result in account termination or legal consequences.

#### **1.10 Defined Terms and Interpretation**

Defined terms used in this Agreement retain their meaning unless the context requires otherwise. A complete list of definitions is provided in Section 24.

## **2 SERVICES**

OTSO Markets operates under a hybrid execution model in relation to CFDs on a

range of underlying instruments, including foreign exchange contracts, precious metals, oil, commodities, indices, cryptocurrencies, and other financial products made available through the Online Platform. OTSO Markets (Pty) Ltd may act as

- the **principal and counterparty** to client transactions when providing execution related services;
- the **Agent**, facilitating execution through external liquidity providers and execution venues.

The execution method applied to your trades depends on factors including but not limited to market conditions, product type, order size, and liquidity availability. OTSO Markets retains sole discretion in determining the appropriate execution method for each transaction.

#### Core Functions:

- a) Client Solicitation and Onboarding:** OTSO Markets is responsible for marketing and soliciting prospective clients and facilitating their onboarding in accordance with our policies and procedures and in compliance with applicable South African laws and regulations, including the FAIS Act and FICA.
- b) Client Funds Management:** OTSO Markets holds client funds in segregated accounts (or, where applicable, applies **Title Transfer Collateral Arrangements** in accordance with **Section 12**) with reputable financial institutions, strictly for the purpose of facilitating transactions and in accordance with applicable regulatory requirements under FSCA regulations.
- c) Complaints Handling and Resolution:** OTSO Markets is responsible for receiving, recording, and addressing client complaints in accordance with our Complaints Handling Procedure and applicable FAIS requirements, ensuring fair and timely resolution of any disputes that may arise.

All services rendered by OTSO Markets are performed in accordance with our authorisation by the Financial Sector Conduct Authority (FSCA) under FSP License Number 54190.

#### 2.1 Execution Model and Liquidity Providers:

Under our hybrid execution model, transactions may be executed through:

- a) Internal Execution:** OTSO Markets acts as principal and counterparty to your trades, providing liquidity and pricing directly. In such cases, OTSO Markets may hold offsetting positions or hedge exposure through our liquidity relationships.
- b) External Execution:** OTSO Markets facilitates your order execution through external liquidity providers used by OTSO Markets from time to time.

The selection of execution method is made at OTSO Markets' reasonable discretion based on factors including order size, market conditions, product availability, and our obligation to provide best execution in accordance with regulatory requirements.

**2.2 Non-Advisory Role:**

We do not provide investment advice, personal recommendations, or portfolio management services. Our services are execution-only. You acknowledge that the execution of any order does not constitute an endorsement, approval, or recommendation of the transaction or Product. Detailed risk disclosures are provided on the Online Platform and in Risk Disclosure Notice.

**2.3 Counterparty Selection:**

Under our hybrid model, OTSO Markets retains discretion to determine whether to act as counterparty or to route orders to external liquidity providers or execution venues. This selection is made based on our commitment to providing the best execution in accordance with applicable regulatory requirements.

**2.4 Principal Transactions: Unless expressly agreed in writing, you enter each transaction as a principal, not as an agent acting on behalf of another party. OTSO Markets is responsible solely to you and has no obligations to any underlying principals or customers you may represent. You are solely responsible for fulfilling your obligations to us.****2.5 Service Modifications:**

We reserve the right to modify, suspend, or discontinue any or all services, temporarily or permanently, with or without prior notice. Such changes may be necessitated by regulatory requirements, market conditions, liquidity provider availability, technological constraints, or operational considerations. You agree that OTSO Markets will not be liable to you or any third party for any losses, damages, or costs arising from such modifications, suspensions, or discontinuations, except where such liability cannot be excluded under applicable law.

**2.6 Client Responsibilities:**

You are responsible for understanding the nature of the Products offered, the risks involved (including the hybrid execution model and potential conflicts of interest), and the operational mechanics of our Online Platform. We encourage you to utilise the Demo Account to familiarise yourself with CFD trading before engaging in live trading. You should review our Risk Disclosure Notice, Conflict of Interest Policy, and Order Execution Policy, all of which are available on our website and Online Platform.

**3 PRICING AND CHARGES****3.1 Bid and Ask Quotations: OTSO Markets provides "bid" and "ask" prices for each Product offered through the Online Platform, reflecting the prices at which you may sell or buy, respectively. Under our hybrid execution model, these prices may be derived from:**

- Internal pricing (when OTSO Markets acts as principal); or
- External liquidity provider pricing (when execution is routed to third-party venues).

OTSO Markets may charge commissions, spreads, and other transaction-related fees on trades, which will be clearly disclosed on the

Online Platform prior to execution and detailed in our Schedule of Charges.

- 3.2 Price Validity and Limitations:** Each price quoted on the Online Platform remains valid until its specified expiration time or until it is withdrawn or cancelled, whichever occurs earlier. Prices are available for transactions up to a maximum principal amount, as determined by OTSO Markets and published on our website or other appropriate communication channels. We reserve the right to reject orders that exceed published limits or that present unacceptable risk exposure.
- 3.3 Price Variations and Slippage:** You acknowledge that prices and maximum transaction amounts may vary between account types based on factors such as account classification, internet speed, trading volume, market volatility, or liquidity conditions. Prices may be altered, withdrawn, or refused at the absolute discretion of OTSO Markets without prior notice, particularly during periods of abnormal market conditions, low liquidity, or force majeure events. Due to market volatility, system latency, or gap movements (such as weekend gaps or news events), the executed price of an order may differ from the quoted price at the time of order placement (a phenomenon known as "**slippage**"). Slippage may work in your favour or against you, depending on market movements. OTSO Markets commits to applying a consistent and fair approach to managing slippage occurrences in accordance with our Order Execution Policy.
- 3.4 Price Transparency:** OTSO Markets operates a hybrid execution model and endeavours to ensure that pricing provided through our platform is transparent, competitive, and reflective of prevailing market conditions. However, we do not warrant that the prices quoted will always correspond to prevailing interbank or exchange prices at the exact time of order execution. This may particularly be the case during periods of high market volatility, low liquidity, fast-moving market events, or when acting as principal. Clients should be aware that such circumstances may result in price slippage, widened spreads, delayed execution, or rejected orders. Where OTSO Markets acts as principal and counterparty, we may benefit from client losses, creating a potential conflict of interest. This conflict is disclosed in our Conflict-of-Interest Policy, and we manage such conflicts in accordance with FSCA requirements.

## **4 ORDERS, TRANSACTIONS, AND OPEN POSITIONS**

### **4.1 Order Submission Process:**

Unless otherwise agreed, all orders must be submitted electronically through the Online Platform. In exceptional circumstances, such as system outages or technical failures, we may, at our absolute discretion, accept instructions via telephone or email, subject to additional verification procedures and recording for compliance purposes.

### **4.2 Order Confirmation Requirements:**

Orders submitted by clients may be subject to confirmation in a format or manner required by OTSO Markets to ensure compliance with regulatory and

operational requirements. Orders shall only become effective once they have been received and accepted by OTSO Markets. Once accepted, such orders may not be rescinded, withdrawn, or amended without the prior written consent of OTSO Markets.

You acknowledge that order acceptance is at OTSO Markets' sole discretion, and we reserve the right to decline any order without providing reasons, particularly where such order presents unacceptable risk, violates our terms, or contravenes applicable regulations.

#### **4.3 Order Authenticity and Authorisation:**

OTSO Markets may act on any instruction related to your account that we reasonably believe to have been given by you or your authorised representative, without further inquiry into its authenticity, authority, or identity. You remain solely responsible for ensuring that only authorised individuals have access to your account and trading platform credentials.

For platform access management or trading security concerns, you must notify us immediately using the contact details provided on our website.

#### **4.4 Right to Refuse Orders:**

OTSO Markets reserves the right, at our sole discretion, to refuse to execute any order, in whole or in part, or to decline to act on an order after receipt. Circumstances in which orders may be refused include, but are not limited to:

- Insufficient account balance or available margin;
- Orders placed during market closures or suspended trading;
- Orders that exceed position or volume limits;
- Technical failures, system outages, or communication disruptions;
- Orders that violate our terms or applicable regulations;
- Orders suspected of being part of abusive trading activities.

Where an order is refused, we will endeavour to notify you promptly, but we are not liable for any failure to execute orders or for losses arising from such refusal.

#### **4.5 Binding Nature of Executed Orders:**

By placing an order on the Online Platform, you enter into a binding agreement with OTSO Markets in accordance with these Terms and Conditions. All executed transactions are final and binding unless subsequently cancelled or amended in accordance with clause 4.11 (Handling of Errors) or clause 4.12 (Manifest Errors).

#### **4.6 Client Monitoring Responsibilities:**

You are solely responsible for monitoring your open positions, account balance, margin levels, and maintaining contact with us. You must provide timely instructions regarding the management of your positions. OTSO Markets is not obligated to contact you regarding open positions, margin requirements, or potential losses, and we accept no liability for losses arising from your failure to monitor your account or provide instructions accordingly. You are strongly advised to use stop-loss orders and other risk management

tools available on the Platform to limit potential losses.

#### **4.7 Record-Keeping Obligations:**

You agree to maintain accurate records of your trading activity, including the nature, timing, and details of all orders submitted and positions opened, to support any dispute resolution or compliance inquiries. OTSO Markets maintains records of all transactions in accordance with regulatory requirements, and such records shall be conclusive evidence of transactions in the absence of manifest error.

OTSO Markets may, at our discretion or as required by applicable regulations, impose administrative restrictions in accordance with FSCA regulatory requirements, such as:

- Limits on leverage or position size;
- Restrictions on certain Products or trading strategies;
- Restricting your account to closing-only transactions;
- Temporary or permanent suspension of trading privileges.

Such restrictions may be imposed where necessary to enforce risk controls, position limits, margin requirements, or compliance obligations.

#### **4.8 Withdrawal Procedures:**

Withdrawal requests are subject to compliance with applicable Anti-Money Laundering (AML), Counter-Terrorist Financing (CTF), and Know Your Customer (KYC) requirements under the Financial Intelligence Centre Act (FICA). You may be required to submit additional supporting documentation to verify your identity, source of funds, beneficial ownership, or transactional legitimacy.

OTSO Markets reserves the right to:

- Decline withdrawal requests made via certain payment methods;
- Request the use of alternative payment channels;
- Delay processing until satisfactory documentation has been provided;
- Return funds to the original source of deposit in accordance with AML requirements.

You are solely responsible for any bank transfer fees, intermediary banking charges, currency conversion costs, or other third-party fees incurred in connection with your withdrawal. Such fees may be deducted from the withdrawal amount.

#### **4.9 Withdrawal Processing:**

Approved withdrawal requests are generally processed within **one (1) to three (3)** business days following receipt of complete instructions and satisfaction of all compliance requirements, reducing your account balance upon completion. We may delay processing or decline requests if:

- Documentation is incomplete, unclear, or non-compliant;
- The withdrawal amount exceeds the available balance or would breach margin requirements;
- There are open positions or pending orders on your account;

- We suspect fraudulent activity or money laundering.

Withdrawals are processed back to the original payment method where possible and in accordance with our AML procedures.

#### **4.10 Stop-Loss Order Obligations:**

Stop-loss orders are risk management tools designed to limit potential losses by automatically closing positions when prices reach specified levels. However, you acknowledge that:

- Stop-loss orders are not guaranteed and may be subject to slippage;
- During periods of high volatility, low liquidity, or gap movements, execution may occur at prices significantly worse than the stop level;
- OTSO Markets is not liable for losses arising from stop-loss execution at unfavourable prices.

If a stop-loss order results in a loss that leads to a negative balance or margin shortfall, you remain fully responsible for covering such shortfall. OTSO Markets may require that such shortfall be settled within one (1) business day or within such other period as may be specified in our communications to you, failing which we reserve the right to take legal action for recovery.

#### **4.11 Handling of Errors:**

Quoting and execution of trades are conducted through the Online Platform using pricing derived from OTSO Markets' internal systems and/or external liquidity providers. While we strive for accuracy, errors may occasionally occur due to system malfunctions, typographical mistakes, communication failures, or human error.

OTSO Markets reserves the right to cancel orders, reverse transactions, close positions, or make necessary adjustments to correct such errors. Where an error is identified, we will notify you as soon as reasonably practicable and take corrective action, which may include:

- Cancelling erroneous trades;
- Adjusting account balances to reflect correct pricing;
- Reopening or closing positions as necessary to restore proper account status.

You agree to cooperate fully with any investigation into errors and to accept the corrective measures taken by OTSO Markets.

#### **4.12 Manifest Errors:** A "**Manifest Error**" is an error that is obvious and clear, such as:

- Pricing that is significantly inconsistent with prevailing market rates;
- Execution at prices that do not reflect actual market conditions;
- Erroneous market data or quotations displayed on the Platform;
- Technical glitches resulting in impossible or commercially unreasonable prices.

Upon identification of a Manifest Error, OTSO Markets may take immediate

corrective action without prior notice, including:

- Revoking profits or adjusting losses arising from the error;
- Cancelling or amending affected trades;
- Closing positions opened at erroneous prices;
- Restoring account balances to reflect correct values.

All determinations regarding Manifest Errors shall be made at the sole discretion of OTSO Markets, acting reasonably and in good faith. You acknowledge and accept this risk and waive any claims for compensation against OTSO Markets in relation to Manifest Errors, except where we have acted with gross negligence or willful misconduct.

#### **4.13 Market and Regulatory Actions:**

If a market, exchange, central clearing counterparty, liquidity provider, or regulatory authority (including the FSCA) takes action that affects transactions or Products offered through OTSO Markets, such as trading suspensions, regulatory investigations, sanctions, insolvency proceedings, or force majeure events, OTSO Markets may take necessary steps to comply with such actions, including:

- Closing open positions;
- Freezing or suspending accounts;
- Restricting withdrawals;
- Adjusting or cancelling transactions;
- Providing information to regulatory or law enforcement authorities.

You agree to comply with any requests for information or cooperation made by OTSO Markets in connection with such events. Any actions taken under such circumstances are binding on you, and OTSO Markets shall not be liable for any resulting losses or damages, except where liability cannot be excluded under applicable law.

## **5 ONLINE PLATFORM**

### **5.1 Access Details and Security:**

To access our Trading Platform, you will be issued secure access credentials (username and password) during the account opening process. Any use of these credentials will be deemed to have been authorised by you or undertaken with your knowledge and consent, unless you can prove otherwise.

### **5.2 Security Responsibilities:**

You are solely responsible for maintaining the confidentiality and security of your platform access credentials. This includes:

- Regularly updating your password;
- Ensuring credentials are not disclosed to any unauthorised third party;
- Not sharing login details with family members, friends, or third-party service providers unless formally authorised in writing;

- Implementing appropriate device security measures (antivirus software, firewalls, secure networks).

OTSO Markets must be notified immediately using the contact details provided on our website, if you suspect or become aware of any loss, theft, misuse, or unauthorised access to your credentials. Upon notification, we will take appropriate action, which may include suspending access pending investigation.

### **5.3 Liability for Unauthorised Use:**

You remain fully liable for all activity conducted through your trading account on the Online Platform, whether such activity was authorised by you or not. OTSO Markets accepts no liability for any resulting transactions, losses, or unauthorised access arising from your failure to maintain credential security, and you agree to indemnify and hold OTSO Markets harmless against any claims, costs, damages, or liabilities arising from the unauthorised use of your credentials, except where due to our proven gross negligence or willful misconduct.

### **5.4 Enhanced Security Measures:**

OTSO Markets may introduce additional layers of user identification or security protocols may be required from time to time, including two-factor authentication (2FA), biometric verification, or security questions. We will notify you of any new procedures as soon as practicable. Your continued use of the Platform following such notification constitutes acceptance of the enhanced security measures.

### **5.5 Equipment and Connectivity:**

You are responsible for obtaining and maintaining the necessary equipment, software, internet connectivity, and telecommunications services required to access the Online Platform. This includes ensuring compatibility with the system requirements of our trading platform.

OTSO Markets and any third-party service providers or technology partners do not warrant the functionality, uptime, uninterrupted availability, or error-free operation of the Online Platform. We disclaim liability for any connectivity issues, communication delays, system failures, or internet service disruptions that are outside of our direct control.

### **5.6 System Risks and Limitations:**

OTSO Markets is not responsible for losses arising from:

- System errors, software bugs, or platform malfunctions;
- Network interruptions or internet connectivity failures;
- Transmission delays or data corruption;
- Third-party cyberattacks, hacking attempts, or distributed denial-of-service (DDoS) attacks;
- Force majeure events affecting platform availability.

Provided that OTSO Markets has taken reasonable steps to secure our systems and communications infrastructure, we shall not be liable for any

technical failures or resulting financial loss. You remain responsible for monitoring your trading activity and for settling any transactions executed on the Platform.

### 5.7 Prohibited Uses:

You may not use the Online Platform in any way that:

- a) Violates any applicable laws or regulations, particularly relating to market conduct, market abuse, insider trading, money laundering, or terrorist financing;
- b) Involves defamatory, obscene, fraudulent, or unlawful activity, or infringes the intellectual property rights of OTSO Markets or any third party;
- c) Introduces malware, viruses, worms, trojans, ransomware, or any harmful code intended to disrupt, damage, or impair the Platform or related systems;
- d) Engages in unfair trading practices such as arbitrage exploitation, latency abuse, server manipulation, tick scalping, or any form of manipulative or abusive trading behaviors (as detailed in **Section 7**);
- e) Attempts to mirror, frame, scrape, deep-link to, reverse-engineer, or otherwise reproduce the Platform, its content, or underlying software without the prior written consent of OTSO Markets.

OTSO Markets reserves the right to report such misuse to regulatory authorities (including the FSCA), law enforcement agencies, and industry bodies, and to take reasonable legal and technical steps to protect our interests and those of other clients.

### 5.8 Platform Updates and Communications:

Notices, feature updates, declarations, regulatory announcements, margin call warnings, and other important communications relating to the Online Platform or your account will be issued via:

- The Online Platform messaging system;
- Your registered email address;
- SMS to your registered mobile number;
- Our official website.

You agree to review all such communications promptly and to notify OTSO Markets of any concerns, disagreements, or errors without delay. Failure to respond to communications (particularly margin calls or account warnings) may result in automatic position closures or other protective actions by OTSO Markets.

### 5.9 Device Requirements:

You are responsible for using a compatible and secure device (desktop computer, laptop, tablet, or smartphone) to access the Online Platform. Your device must be:

- Properly maintained and functioning correctly;

- Free from malware, viruses, and other security threats;
- Equipped with up-to-date antivirus protection and security software;
- Connected via secure and private internet connections (public Wi-Fi networks are **not** recommended for trading activities).

Any known or suspected defects, malfunctions, security breaches, or compromises of device security must be reported immediately to OTSO Markets. You must cease platform usage until you are authorised to resume by our compliance or technical support team.

#### 5.10 Intellectual Property Protections:

The Online Platform and all associated content, including but not limited to software, trading tools, data feeds, analytics, charting packages, educational materials, branding, logos, and third-party content, are the intellectual property of OTSO Markets, or other respective licensors.

You may not:

- Copy, reproduce, modify, distribute, or create derivative works from any aspect of the Platform;
- Reverse-engineer, decompile, or disassemble the Platform software;
- Remove or alter any proprietary notices or labels;
- Use the Platform or its content for any commercial purpose without express written consent.

Such use is permitted only where expressly authorised by applicable law (such as fair use provisions). Unauthorised use may result in immediate account termination and legal action for damages and injunctive relief.

#### 5.11 Suspension or Withdrawal:

Access to the Online Platform may be suspended or permanently withdrawn by OTSO Markets at any time without prior notice, where necessary for:

- Legal, regulatory, or compliance reasons;
- Operational maintenance, upgrades, or system migrations;
- Security incidents, cyberattacks, or suspected account compromise;
- Breach of these Terms and Condition;
- Non-payment of amounts owed or margin deficiencies;
- Abusive trading activities or suspected fraud.

You acknowledge that such decisions are binding and may occur without advance notice in urgent cases. During suspension periods, you may not be able to open new positions, though existing positions may be closed at OTSO Markets' discretion.

#### 5.12 Electronic Trading Service:

- a) **User Responsibilities:** you are solely responsible for safeguarding your access credentials and any related security information used to access the Online Platform. Sharing login credentials with unauthorised persons is strictly prohibited. You remain liable for all transactions, orders, and

actions conducted under your account, regardless of whether you personally authorised them.

- b) **Service Interruptions:** the Electronic Trading Service may be suspended, restricted, or experience degraded performance due to:
- Scheduled maintenance or system upgrades (where possible, advance notice may be provided);
  - Unexpected disruptions such as force majeure events, cyberattacks, infrastructure failures, or technical malfunctions;
  - Regulatory requirements or directives from the FSCA or other authorities.

OTSO Markets does not warrant uninterrupted or error-free access to the Platform and shall not be liable for resulting losses, provided reasonable steps are taken to minimise disruption and restore service promptly.

c) **Third-Party Software Usage:**

The use of automated trading systems (Expert Advisors/EAs), algorithmic trading software, APIs, high-frequency trading tools, or other third-party software tools in connection with the Platform is **permitted** subject to the following conditions:

- Such tools must not engage in abusive trading practices (as defined in Section 7);
- OTSO Markets reserves the right to monitor trading activity and restrict or prohibit specific EAs or strategies that present unacceptable risk or violate our terms;
- You remain fully responsible for all trading activity conducted via automated systems.

Unauthorised use of software that breaches our terms, manipulates the Platform, or engages in prohibited activities may result in account suspension or termination, and you will remain liable for any resulting damages, losses, or regulatory breaches.

## 6 TRANSACTION CONFIRMATIONS AND ACCOUNT STATEMENTS

### 6.1 Transaction Confirmations:

Trade execution and transaction confirmations are handled through the Online Platform. Following the execution of an order, confirmation will be displayed on the Platform in real-time, with full transaction details including:

- Trade ticket number;
- Product traded;
- Volume/lot size;
- Opening/closing price;
- Timestamp of execution;
- Profit/loss realised.

Historical trade records and account statements are accessible through your

account interface on the Trading Platform. OTSO Markets does not issue separate paper or email confirmations unless specifically requested, and such requests may be subject to administrative fees.

The absence of a confirmation does not invalidate the underlying transaction. You are responsible for reviewing transaction details immediately upon execution and reporting any discrepancies or errors within a reasonable timeframe

## 6.2 Deposit and Verification Limits:

Prior to the full completion of the onboarding and client verification process, OTSO Markets may restrict your ability to deposit funds or execute trades. Clients who have not yet completed KYC and AML verification may be:

- Limited to a **maximum initial deposit of USD \$300** (or equivalent in other currencies);
- Restricted from placing live trades until all documentation is submitted and verified;
- Subject to enhanced monitoring or additional verification requests.

Trading on the Online Platform will not be permitted until all **required verification procedures** have been completed and your account has been approved.

## 6.3 Establishment of Business Relationship:

Your business relationship with OTSO Markets is formally established only upon:

- Successful completion of the account opening process;
- Submission and verification of all required documentation, including proof of identity, proof of residence, source of funds/wealth declarations, and any additional documents requested;
- Acceptance of these Terms and Conditions;
- Approval of your account application by OTSO Markets' Compliance Department.

Until such time, any services provided are on a limited basis and may be suspended or withdrawn at OTSO Markets' discretion. OTSO Markets reserves the right to decline any application without providing reasons

## 7 ABUSIVE TRADING ACTIVITIES

OTSO Markets is committed to upholding the highest standards of integrity, fairness, transparency, and regulatory compliance in all client interactions and trading services. We maintain a **zero-tolerance policy** toward any form of Abusive Trading Activity conducted through our Online Platform.

Such activities undermine market fairness, exploit system vulnerabilities, create illegitimate advantages, and may expose both the client and OTSO Markets to regulatory, legal, and reputational risks. Abusive trading also creates conflicts between clients, distorts pricing, and compromises the integrity of our services.

**Examples of prohibited Abusive Trading Activities include, but are not limited to:**

**7.1 Market Abuse:**

Engaging in practices that manipulate market prices, volumes, or liquidity, such as:

- Coordinated trading to artificially influence pricing;
- Wash trading (simultaneously buying and selling to create false activity);
- Spoofing (placing orders with intent to cancel before execution to mislead other market participants);
- Layering (placing multiple orders at different price levels to create false impressions of supply or demand).

Such conduct violates South African market conduct regulations and the **Financial Markets Act 2012 (FMA)**.

**7.2 Price Manipulation:**

Artificially inflating or deflating prices on specific instruments or platforms to exploit price discrepancies, often by:

- Placing strategic orders concurrently or in advance across multiple accounts or brokers;
- Exploiting price differences between OTSO Markets and other brokers or exchanges;
- Capitalising on manipulated pricing to generate risk-free profits at the expense of OTSO Markets or other clients.

**7.3 Swap-Free Account Abuse:**

Misusing swap-free (Islamic) accounts, intended for clients with genuine religious or ethical restrictions on interest, by:

- Placing strategic orders to exploit the absence of swap charges;
- Holding positions in instruments such as gold (XAUUSD), silver (XAGUSD), or other commodities solely to benefit from swap exemptions without genuine trading intent;
- Using swap-free accounts for carry trade strategies or long-term speculative positions that would otherwise incur significant swap costs.

**7.4 Latency Abuse:**

Exploiting delays in trade execution, price feeds, or platform response times, often through:

- High-speed trading technologies or co-location services are designed to gain millisecond advantages;
- Arbitrage based on stale or delayed pricing;
- Exploiting the time lag between OTSO Markets' pricing and external market pricing;
- Using latency arbitrage EAs (Expert Advisors) or other automated systems designed to profit from execution delays.

Such practices distort market efficiency, create unfair advantages, and disadvantage other clients and liquidity providers.

**7.5 Arbitrage Abuse:**

Opening accounts with multiple brokers (including OTSO Markets) to exploit price differences across platforms for risk-free profits, particularly through:

- Hedging identical positions across multiple brokers to lock in price discrepancies;
- Triangular arbitrage strategies exploiting cross-currency pricing inefficiencies;
- Simultaneous buy/sell orders on different platforms to capture spreads without market risk.

While arbitrage is a legitimate market activity in certain contexts, arbitrage abuse undermines the integrity of retail CFD trading and creates unsustainable risk exposures for brokers.

**7.6 Scalping Abuse:**

Engaging in rapid, ultra-high-frequency trading to exploit small price movements over very short timeframes (often seconds or minutes), particularly through:

- Opening and closing multiple positions within seconds solely to capture bid-ask spreads;
- Using hedged positions across accounts or with other brokers to mask scalping activities;
- Executing dozens or hundreds of micro-lot trades in rapid succession without a legitimate trading strategy;
- Scalping during news releases or volatile events to exploit temporary pricing inefficiencies.

While *bona fide* short-term trading is permitted, scalping abuse that exploits platform latency or creates excessive operational burden may be restricted.

**7.7 Churning Abuse:**

Conducting excessive trading in your account primarily to generate transaction volume, commissions, or rebates, without regard for sound investment strategy, risk management, or profit objectives. This includes:

- Unnecessarily high turnover of positions;
- Opening and closing trades with no coherent strategy or market analysis;
- Trading is designed solely to meet bonus or promotional withdrawal conditions.

**7.8 System Error Abuse:**

Exploiting technical malfunctions, glitches, software bugs, or loopholes in the Online Platform to execute trades at prices or conditions not normally available, thereby gaining unfair advantages. This includes:

- Trading on obviously incorrect pricing caused by system errors;
- Exploiting platform malfunctions to bypass margin requirements or position limits;
- Taking advantage of delayed or frozen pricing during technical issues;

- Using software exploits to manipulate account balances or transaction records.

**7.9 Credit/Bonus Abuse:**

Manipulating promotional offers, such as deposit bonuses, cashback programs, or trading credits, by:

- Opening multiple accounts under the same or different names to claim multiple bonuses;
- Using high-risk or hedged strategies designed solely to meet bonus withdrawal conditions without genuine market exposure;
- Colluding with other clients to abuse referral or partnership programs;
- Withdrawing funds immediately after meeting minimum trading requirements without genuine trading intent.

Such conduct compromises the integrity of our promotional programs and is considered fraud.

**7.10 Multiple Accounts Abuse:**

Opening multiple trading accounts under the same or different names (including accounts held by related parties, family members, or associates) to:

- Manipulate market actions or execute coordinated trades;
- Hedge positions across accounts to eliminate risk while exploiting bonuses or promotions;
- Circumvent position limits, leverage restrictions, or account restrictions;
- Evade detection of abusive trading patterns;
- Abuse promotional offers or referral programs.

OTSO Markets maintains sophisticated monitoring systems to detect related accounts and coordinated trading activity.

**7.11 Promotion Abuse:**

Exploiting promotional offers, subject to the applicable promotional term, such as increased leverage, cashback programs, rebates, or trading competitions through deceptive means, including:

- Creating multiple accounts or using nominee accounts to qualify for rewards;
- Engaging in prohibited trading activities (such as hedging or arbitrage abuse) to meet promotional terms;
- Misrepresenting account activity or trading volume to claim unearned rewards;
- Colluding with other clients to manipulate competition rankings or referral rewards.

**CONSEQUENCES OF ABUSIVE TRADING:**

Upon detection of any Abusive Trading Activities, OTSO Markets has sole and absolute discretion to determine the appropriate course of action, which may

include any or all of the following:

- a) **Immediate Account Suspension:** Temporary or permanent suspension of trading privileges and platform access pending investigation.
- b) **Cancellation of Benefits:** Revoking swap-free status, promotional privileges, bonuses, cashback, or rebates from all affected accounts, including recovering unaccrued swaps, interest, administrative costs, or promotional credits.
- c) **Forfeiture of Profits:** Cancelling all credits, bonuses, or profits derived from abusive activities immediately and without prior notice, adjusting account balances accordingly.
- d) **Trade Reversals:** Reversing or cancelling all trades associated with abusive activities, revoking profits or adjusting losses, and voiding any related commissions (including Introducing Broker or affiliate commissions).
- e) **Account Closure:** Terminating all accounts associated with the client (including related or nominee accounts) and prohibiting future account applications.
- f) **Freezing of Funds:** Freezing account funds pending completion of the investigation, which may lead to permanent forfeiture if abusive conduct is confirmed.
- g) **Legal Action:** Pursuing legal remedies for recovery of losses, damages, and costs incurred by OTSO Markets as a result of abusive activities, including civil claims and criminal complaints where fraud or market manipulation is suspected.
- h) **Regulatory Reporting:** Reporting suspected market abuse, fraud, or money laundering to the FSCA, South African Police Service (SAPS), Financial Intelligence Centre (FIC), and other relevant regulatory or law enforcement authorities.
- i) **Industry Blacklisting:** Sharing information regarding abusive clients with industry bodies, credit bureaus, and other financial services providers to prevent further misconduct.

OTSO Markets reserves the right to cooperate fully with regulatory bodies, law enforcement agencies, and legal authorities in investigating any suspected misconduct. Clients are expected to act in good faith, with honesty and integrity, and in accordance with these Terms and Conditions and all applicable laws.

**Clients engaging in Abusive Trading Activities do so at their own risk and may face significant financial, legal, and reputational consequences.**

## 8 CONSENT TO ELECTRONIC COMMUNICATION

You expressly consent to receiving communications from OTSO Markets through electronic means, including but not limited to email, the Online Platform, secure client portals, SMS messages, electronic chat systems, and other digital

communication channels. These communications may include, but are not limited to:

- Account opening and onboarding updates;
- Regulatory disclosures and compliance-related notices;
- Legal documentation, including amendments to these Terms and Conditions;
- Administrative instructions and account notifications;
- Margin call warnings and risk alerts;
- Trading confirmations and account statements;
- Marketing or promotional materials (subject to applicable direct marketing regulations and your consent preferences).

You acknowledge that electronic communications shall, to the extent permitted by law, satisfy any legal requirement for a document to be in writing, signed, or retained. This includes communications governed by the **Electronic Communications and Transactions Act 2002 (ECTA)** and relevant provisions under the FAIS Act.

If you wish to revoke this consent or request an alternative method of communication (e.g., hard copy correspondence), you must provide written notice to OTSO Markets specifying your preferred method. Such notice should be sent to [info@otsogroup.com](mailto:info@otsogroup.com) or submitted in writing to our registered address at **1 Hood Avenue, Rosebank, Johannesburg, Gauteng 2196**.

Revocation of electronic communication consent may affect the availability, timeliness, or cost of certain services. OTSO Markets reserves the right to charge reasonable fees for providing non-electronic communications where such requests impose additional administrative burden.

## 9 MARGIN

### 9.1 Margin Obligations:

Margin requirements are set and enforced by OTSO Markets in accordance with our Margin Policy, regulatory requirements, and prevailing market conditions. You are required to maintain an adequate margin (in the form of funds or acceptable assets) in your trading account to secure your actual, current, future, contingent, or potential liabilities arising from open positions and trading activity.

Under our hybrid execution model, margin requirements may vary depending on:

- The instrument being traded;
- Your account type and leverage tier;
- Market volatility and liquidity conditions;
- Regulatory margin requirements imposed by the FSCA;
- Whether OTSO Markets acts as principal or routes execution externally.

Current margin requirements are published on the Online Platform and may be updated from time to time. It is your responsibility to review and

understand applicable margin requirements before opening positions.

**Standard Margin Parameters (unless otherwise specified):**

- **Margin Call Level:** 100% (when equity falls to 100% of required margin, you will receive a margin call warning)
- **Stop Out Level:** 50% (when equity falls to 50% of required margin, automatic position closure will commence)

**9.2 Credit Lines and Leverage:**

OTSO Markets may offer leverage facilities of up to **1:1000**, subject to FSCA conduct expectations and our internal risk limits, depending on your account type, experience level, jurisdiction, and the financial instruments being traded. Leverage allows you to control larger positions with smaller capital but significantly amplifies both potential profits and losses.

Such leverage facilities do not constitute consumer credit under the **National Credit Act 2005** or any other applicable financial legislation. Leverage is a trading facility provided at OTSO Markets' sole discretion and may be modified, reduced, or withdrawn at any time based on:

- Changes in regulatory requirements;
- Your trading performance or risk profile;
- Market conditions or volatility;
- Our risk management policies.

You remain responsible for maintaining adequate margin levels regardless of the leverage extended by OTSO Markets. Higher leverage increases risk exposure and the likelihood of rapid account liquidation during adverse market movements.

**9.3 Margin Monitoring:**

You are solely responsible for monitoring your margin levels, account equity, and available margin in real-time via the Online Platform provided by OTSO Markets. Failure to maintain adequate margin may result in:

- **Margin Call Warning (at 100% margin level):** You will receive notification via email, SMS, platform notification, or other available means. This is a courtesy warning and does not obligate OTSO Markets to issue further warnings.
- **Automatic Position Closure (at 50% Stop Out Level):** OTSO Markets reserves the right to automatically close open positions, starting with the least profitable positions, without prior notice or further warning, to prevent your account from falling into negative balance.

OTSO Markets is not obligated to issue margin calls or provide advance warning before closing positions. You should implement appropriate risk management measures, including stop-loss orders and position sizing, to avoid margin-related liquidations.

**9.4 Security Interest:**

By depositing funds and maintaining margin with OTSO Markets, you grant OTSO Markets a first-ranking security interest, lien, and right of set-off over all funds, positions, and assets held in your trading account. This security interest secures all your obligations to OTSO Markets, including:

- Trading losses and negative balances;
- Commissions, fees, and charges;
- Financing costs and swap charges;
- Any other amounts owed under these Terms and Conditions or the Client Agreement.

OTSO Markets may exercise this security interest at any time without further notice to satisfy any outstanding obligations. This includes applying available funds to close positions, cover deficits, or recover amounts owed.

**9.5 Further Documentation:**

You may be required to execute additional documents or provide further information to perfect our security interest, comply with regulatory obligations under the FICA or FAIS Act, or confirm ownership, source, or control of funds. This may include:

- Enhanced due diligence questionnaires;
- Source of wealth or source of funds declarations;
- Bank statements or proof of income;
- Beneficial ownership disclosures;
- Tax residency certifications.

Failure to provide requested documentation within the specified timeframe may result in account restrictions, suspension of trading privileges, or termination of the business relationship.

**10 SETTLEMENT DATE, ROLLOVER, AND OFFSET INSTRUCTIONS****10.1 Automatic Rollover:**

Open positions held beyond the close of a trading day (typically 5:00 PM New York time / 00:00 Server Time) will be subject to automatic rollover in accordance with standard market practice for CFD trading.

Applicable rollover fees (also known as "swap" or "overnight financing charges") reflect the cost of maintaining leveraged positions overnight and are calculated based on:

- The interbank interest rate differential between the two currencies in the pair (for Forex);
- Financing costs associated with the underlying asset (for commodities, indices, shares, cryptocurrencies);
- OTSO Markets' administrative markup.

Swap rates (positive or negative) are published on the Online Platform and updated regularly. Swap charges are automatically applied to your account at

rollover time and will be reflected in your account balance and trading history.

**Note:** Clients holding Islamic/Swap-Free accounts are exempt from swap charges but may be subject to alternative administrative fees as disclosed in the Swap-Free Account Terms.

### 10.2 Discretionary Position Management:

In the absence of timely instructions or actions by you, or in circumstances where market conditions, liquidity constraints, or operational necessity require, OTSO Markets may, at our sole discretion and at your expense, take protective measures including:

- Closing open positions to manage risk exposure;
- Rolling over positions to the next value date;
- Offsetting or netting positions to reduce exposure;
- Declining to execute new orders or limiting position sizes.

These actions are undertaken in accordance with our risk management policies and regulatory obligations, and may be taken without prior notice, particularly during:

- Extreme market volatility or fast market conditions;
- Force majeure events;
- Liquidity provider failures or trading suspensions;
- Regulatory interventions or restrictions;
- System failures or technical emergencies.

OTSO Markets shall not be liable for any losses arising from such discretionary position management actions, provided we act reasonably and in good faith.

### 10.3 No Physical Delivery:

Unless explicitly agreed in writing between you and OTSO Markets, trading in Contracts for Differences (CFDs) or similar financial products does **not** result in the physical delivery of any underlying asset, including:

- Foreign currencies (Forex);
- Precious metals (gold, silver, platinum, palladium);
- Commodities (oil, natural gas);
- Securities (shares, stock indices);
- Cryptocurrencies (Bitcoin, Ethereum, etc.).

All CFD positions are cash-settled financial instruments. Upon closure of a position, the resulting profit or loss will be credited or debited to your trading account balance in the account's base currency.

If you require physical delivery of an underlying asset, you must arrange such delivery through appropriate spot market or futures market channels outside of OTSO Markets' CFD trading services.

## 11 CLIENT MONEY

### 11.1 Interest on Funds:

OTSO Markets may hold client funds in segregated bank accounts in accordance with applicable South African law, including the FAIS Act, the General Code of Conduct, and FICA requirements.

Interest on client funds will be paid only where such interest is actually earned from the financial institution holding the funds. Whether interest is payable, and at what rate, is at the discretion of the bank and subject to prevailing market interest rates, account balance thresholds, and banking policies.

OTSO Markets does not guarantee the accrual or payment of interest on client deposits. Any interest earned may be subject to deduction of bank charges, withholding taxes, or administrative fees before being credited to your account.

### 11.2 Bank Risks and Segregation:

Client funds are held in segregated bank accounts with reputable and authorised financial institutions, which may be located in South Africa or in other jurisdictions, subject to appropriate due diligence and compliance assessments. These accounts are maintained under the legal and regulatory frameworks of the jurisdiction in which the bank operates, which may differ from South African regulatory standards.

While OTSO Markets takes reasonable care in selecting custodian banks, clients acknowledge and accept the following risks:

- **Counterparty Risk:** In the event of insolvency, liquidation, or failure of a custodian bank, client funds may be subject to delays in recovery or partial loss.
- **Jurisdictional Risk:** Funds held outside South Africa may be subject to foreign laws, exchange controls, or political risks.
- **Currency Risk:** Funds held in foreign currency accounts are subject to exchange rate fluctuations.

OTSO Markets accepts no liability for any loss of client funds arising from the insolvency or failure of a custodian bank or payment services provider, to the extent permitted by applicable law, provided we have exercised reasonable care in their selection and monitoring.

Clients bear the inherent risks associated with the use of banking and custodial institutions, as disclosed in our Risk Disclosure Notice.

### 11.3 Currency Conversion:

Where necessary to fulfill your liabilities under these Terms and Conditions or to facilitate trading activity, OTSO Markets may convert funds from one currency to another using exchange rates determined by OTSO Markets at the time of conversion, based on prevailing market conditions and reasonable mark-ups.

Such conversions will be made only to the extent reasonably required for purposes including:

- Depositing or withdrawing funds in currencies different from your account base currency;
- Settling profits or losses on trades denominated in foreign currencies;
- Paying fees, commissions, or charges in specific currencies.

Currency conversions are executed at rates determined by OTSO Markets based on interbank rates plus a reasonable markup to cover conversion costs. OTSO Markets will not be liable for any loss, cost, or adverse movement arising from exchange rate fluctuations or currency conversion charges imposed by banks or payment providers.

#### 11.4 Set-Off Rights:

If you incur obligations or liabilities to OTSO Markets, including but not limited to administrative fees, regulatory compliance costs, onboarding charges, negative balances, unpaid commissions, or any other amounts owed. OTSO Markets may, subject to FAIS Act requirements and applicable law, exercise our right of set-off and deduct such amounts from funds held in your trading account.

In such cases, the relevant portion of your funds will cease to be treated as client money and will be applied to satisfy the outstanding obligations. These obligations shall become immediately due and payable upon incurrence, and set-off may be exercised without further notice to you.

You agree that OTSO Markets may combine or consolidate accounts held in your name for the purpose of exercising set-off rights, and may transfer funds between accounts to satisfy liabilities.

#### 11.5 Inactivity and Unclaimed Funds:

If no trading activity or client-initiated account activity (including deposits, withdrawals, or communications with OTSO Markets) occurs for a continuous period of at least **twelve (12) months**, your account will be classified as "inactive."

OTSO Markets may, after providing you with **thirty (30) days' written notice** to your last known email address and physical address on record:

- Charge an administrative inactivity fee to cover the cost of maintaining dormant accounts;
- Remaining funds will be remitted, but charge the remittance cost;
- Close the account and remit remaining funds to your nominated bank account.

You may submit a valid claim during the notice period to reactivate your account and retain entitlement to such funds. After the notice period expires, unclaimed funds may be subject to regulatory reporting, escheatment requirements, or transfer to unclaimed funds authorities as applicable under South African law.

To avoid inactivity classification, you should ensure regular account activity or communicate with OTSO Markets at least once every twelve months.

## 12 Title Transfer Collateral Arrangements

### 12.1 Title Transfer by OTSO Markets:

Under our hybrid execution model, when OTSO Markets acts as principal and counterparty to your transactions, we may apply a **Title Transfer Collateral Arrangement (TTCA)** to margin or collateral provided by you.

Under a TTCA:

- You transfer full legal and beneficial ownership of deposited funds and margin to OTSO Markets;
- OTSO Markets may use such funds for our own purposes, including hedging, liquidity management, or operational requirements;
- OTSO Markets assumes a contractual obligation to repay an equivalent amount of funds (or equivalent assets) when they are no longer required as collateral or upon termination of the relationship.

This arrangement provides OTSO Markets with greater operational flexibility and allows us to offer competitive pricing and leverage, but it exposes you to counterparty credit risk, meaning there is a possibility that OTSO Markets may be unable to return equivalent funds in the event of our insolvency or financial difficulty.

### 12.2 Repayment Obligations:

Where funds are held under a TTCA, OTSO Markets will repay an equivalent amount (not the identical funds) when:

- Positions secured by the collateral are closed;
- You request a withdrawal of available balance;
- The business relationship is terminated, and final settlement is completed.

Repayment may be applied only after deducting any amounts owed to OTSO Markets, including trading losses, fees, commissions, or any other liabilities arising under these Terms and Conditions.

### 12.3 No Interest on Collateral:

Unless explicitly agreed in writing, you are not entitled to receive interest on collateral or margin provided to OTSO Markets under a TTCA. Any interest or income generated from the use of your funds may accrue to OTSO Markets in accordance with applicable law and our operational arrangements.

### 12.4 Third-Party Risks:

Where OTSO Markets routes execution to external liquidity providers or holds funds with third-party banks, custodians, or payment processors, such funds may be exposed to counterparty or insolvency risk.

OTSO Markets is not liable for any loss, delay, or diminution of funds due to the failure, insolvency, default, fraud, or negligence of such third-party institutions, provided we have exercised reasonable care in their selection and ongoing monitoring.

You acknowledge and accept these third-party risks as an inherent aspect of

CFD trading and online financial services.

#### **12.5 Cancellation of Title Transfer Arrangements:**

If you wish to revoke or object to the Title Transfer Collateral Arrangement, you must provide written notice to OTSO Markets at **info@otsogroup.com** or our registered address.

Termination of the TTCA will fundamentally alter the nature of the trading relationship and may result in:

- Reduction or removal of leverage facilities;
- Increased margin requirements;
- Restrictions on available products or trading strategies;
- Closure of open positions;
- Termination of the business relationship.

OTSO Markets reserves the right to decline requests to terminate the TTCA and may require you to close all positions and withdraw remaining funds instead.

### **13 PROFITS, LOSSES, AND INTEREST CHARGES ON OPEN POSITIONS**

All profit or loss adjustments, financing charges (swap/rollover), dividends, and applicable fees on open positions are calculated and applied by OTSO Markets in accordance with standard market practice for CFD trading, as disclosed on the Online Platform and in our Contract Specifications.

These adjustments reflect:

- Market price movements in the underlying instruments;
- Interest rate differentials and financing costs for maintaining leveraged positions;
- Dividend adjustments for equity CFDs (where applicable);
- Operational costs and OTSO Markets' markup.

Adjustments are applied automatically to your trading account at the relevant times (typically daily at rollover or upon position closure). Real-time calculations and historical adjustment records are accessible via the Online Trading platform.

You acknowledge that such adjustments may result in additional costs or unexpected changes to your account balance, and you are responsible for understanding how these adjustments affect your trading strategy and profitability.

For detailed information on swap rates, commission structures, and other charges, please refer to our **Schedule of Charges** and **Contract Specifications** published on our official website.

### **14 FEES AND CHARGES**

#### **14.1 Fee Structure:**

You are responsible for all fees and charges applicable to your trading activity with OTSO Markets, as published on the Online Platform, our website, or otherwise communicated to you in writing. These may include, but are not limited to:

**Trading-Related Fees:**

- **Spreads:** The difference between bid and ask prices, representing OTSO Markets' primary revenue on most trades;
- **Commissions:** Fixed or variable charges per lot traded (for certain account types or instruments);
- **Swap/Rollover Charges:** Overnight financing charges for maintaining leveraged positions (as detailed in Section 10.1);
- **Conversion Fees:** Currency conversion charges when trading instruments denominated in currencies different from your account base currency;

**Non-Trading Fees:**

- **Deposit Fees:** Charges imposed by payment processors or banks for deposit methods (where applicable);
- **Withdrawal Fees:** Administrative charges or bank transfer fees for processing withdrawals;
- **Inactivity Fees:** Monthly charges for dormant accounts (as detailed in Section 11.5);
- **Account Maintenance Fees:** Periodic charges for premium account services (where applicable);
- **Regulatory or Compliance Fees:** Charges related to enhanced due diligence, document certification, or regulatory reporting.

All fees are subject to change at the discretion of OTSO Markets, and you will be notified promptly of any amendments via email or platform notification. Updated fee schedules will be published on our website.

**14.2 Impact on Account Equity:**

You acknowledge that the deduction of fees, commissions, swap charges, and other applicable costs will reduce your account equity and available margin balance. This reduction may affect your ability to:

- Maintain adequate margin levels for open positions;
- Open new positions or increase position sizes;
- Avoid margin calls or automatic position closures.

Accumulated fees and charges may result in the partial or full liquidation of open positions if your equity falls below required margin levels, particularly during periods of adverse market movements or high volatility

OTSO Markets does not provide refunds or waivers of properly charged fees except where required by law or regulatory directive or in cases of manifest error, each as determined by OTSO Markets in our discretion.

**14.3 Additional Charges:**

You remain liable for any additional charges or third-party costs that may be incurred or communicated to you, including but not limited to:

- Bank transfer fees, intermediary banking charges, or correspondent bank

fees;

- Payment gateway or payment processor fees;
- Currency conversion costs imposed by banks or payment providers;
- Legal fees or debt collection costs arising from enforcement of obligations;
- Regulatory fines or penalties imposed on OTSO Markets as a result of your conduct or non-compliance (which may be passed through to you);
- Data feed or premium platform service fees (for advanced trading tools or market data subscriptions).

OTSO Markets reserves the right to charge reasonable administrative fees for services including:

- Issuance of account statements or trading history reports;
- Provision of hard copy documentation;
- Processing of complex or non-standard withdrawal requests;
- Enhanced customer support or account management services.

Such fees will be disclosed in advance where possible, or otherwise communicated at the time of service provision.

## 15 EVENTS OF DEFAULT

An **Event of Default** may be deemed to have occurred if any of the following arise, each of which may trigger immediate action by OTSO Markets, including account suspension, position closure, or termination of the business relationship:

### 15.1 Payment or Margin Failures:

You fail to fulfill any payment obligation to OTSO Markets (including administrative fees, regulatory charges, negative balance repayment, or other amounts owed), or fail to meet applicable margin calls or maintain required margin levels within the timeframe specified by OTSO Markets.

### 15.2 Breach of Terms:

You breach any material obligation under these Terms and Conditions, the Client Agreement, or any other agreement with OTSO Markets, including but not limited to:

- Failure to provide accurate, complete, or timely onboarding documentation;
- Non-compliance with AML or KYC requirements under FICA;
- Violation of prohibited trading activities (as detailed in Section 7);
- Unauthorised use of the Online Platform or account credentials;
- Breach of intellectual property rights or confidentiality obligations.

### 15.3 Misrepresentation or Fraud:

Any representation, warranty, declaration, or information provided by you (whether during account opening, ongoing due diligence, or in the course of trading) is found to be materially incorrect, misleading, incomplete, or fraudulent.

**15.4 Insufficient Margin or Equity:**

Your margin or account equity becomes insufficient to cover open positions, potential liabilities, or mark-to-market exposure due to market fluctuations, gap movements, or other risk factors, and you fail to deposit additional funds within the required timeframe.

**15.5 Regulatory or Legal Violations:**

You engage in conduct that violates applicable laws, regulations, or policies, whether under South African law (including the FMA, FICA, FAIS Act, or FSCA regulations), international sanctions regimes as applicable to you and your jurisdiction, or the rules of OTSO Markets or any relevant exchange or market authority.

**15.6 Insolvency or Liquidation (Legal Entities):**

If you are a legal entity (company, trust, partnership, etc.), you initiate or are subjected to:

- Liquidation (voluntary or compulsory);
- Business rescue proceedings;
- Insolvency or bankruptcy proceedings;
- Appointment of a receiver, administrator, or trustee;
- Any equivalent reorganization, dissolution, or winding-up process.

**15.7 Death, Insolvency, or Incapacity (Natural Persons):**

If you are a natural person, any of the following occur:

- Death or legal declaration of death;
- Sequestration or declaration of insolvency;
- Mental incapacity or appointment of a curator or guardian;
- Legal attachment, garnishment, or seizure of assets;
- Criminal conviction involving fraud, theft, or financial crimes.

**15.8 Anticipatory Default:**

OTSO Markets reasonably anticipates, based on credible information and acting reasonably, changing market conditions, deteriorating financial circumstances, or legal developments, that any of the above events may occur or is likely to occur.

**15.9 CONSEQUENCES OF AN EVENT OF DEFAULT**

If an Event of Default occurs, OTSO Markets may, at our sole discretion and without prior notice, take any or all of the following actions:

**Immediate Actions by OTSO Markets:**

- a) **Termination of Relationship:** Terminate the business relationship and all agreements with you with immediate effect;
- b) **Account Suspension:** Restrict or suspend your access to the Online Platform, trading services, and administrative support;
- c) **Position Closure:** Close out all or any of your open positions at prevailing market prices (which may be unfavorable due to market conditions or liquidity constraints);
- d) **Order Cancellation:** Cancel all pending orders, stop-loss orders, take-profit orders, and other instructions;

- e) **Set-Off and Application of Funds:** Apply any available funds in your account(s) to cover liabilities, trading losses, margin shortfalls, fees, commissions, closure costs, and any other amounts owed to OTSO Markets;
- f) **Recovery of Deficits:** If, after closure and application of available funds, your account is in deficit (negative balance), you will remain fully liable to OTSO Markets for the outstanding amount, plus:
  - i. Interest on the outstanding amount at a rate determined by OTSO Markets (acting reasonably and not exceeding the legal maximum);
  - ii. Legal costs and debt collection expenses incurred in recovering the debt;
  - iii. Any other damages or losses suffered by OTSO Markets as a result of the default;
- g) **Credit Balances:** If, after closure and settlement of all liabilities, your account is in credit, OTSO Markets will arrange repayment of the remaining balance to your nominated bank account, subject to:
  - i. Completion of any outstanding compliance or verification requirements;
  - ii. Deduction of applicable fees, charges, or withholding taxes;
  - iii. Compliance with anti-money laundering and sanctions screening;
- h) **Reporting to Authorities:** OTSO Markets reserves the right to report the Event of Default, suspected fraud, money laundering, or regulatory violations to:
  - i. The Financial Sector Conduct Authority (FSCA);
  - ii. The Financial Intelligence Centre (FIC);
  - iii. The South African Police Service (SAPS) or other law enforcement agencies;
  - iv. Credit bureaus or industry fraud prevention databases;

#### **15.10 Bankruptcy Events:**

If a Bankruptcy Event (as defined in Section 15.6 or 15.7) occurs, OTSO Markets' rights to liquidate positions and close out the relationship will be deemed exercised **immediately before** the occurrence of the Bankruptcy Event, in accordance with applicable insolvency laws and these Terms and Conditions.

This is intended to protect OTSO Markets' rights and ensure proper settlement of obligations before assets become subject to insolvency proceedings or creditor claims.

#### **15.11 Additional Rights:**

The rights set out in this Section 15 are **in addition to, and not in substitution for**, any other rights or remedies that OTSO Markets may have under:

- These Terms and Conditions;
- The Client Agreement;
- The FAIS Act, FICA, or other applicable South African law;
- Common law, including rights of set-off, lien, or security enforcement;

- Any other agreement between you and OTSO Markets.

OTSO Markets may pursue any or all available remedies concurrently or sequentially, and no action taken by OTSO Markets shall be deemed a waiver of any other rights or remedies **unless expressly waived in writing**.

#### **15.12 Client Cooperation:**

In the event of a default or potential default, you agree to:

- Cooperate fully with OTSO Markets' investigation and resolution efforts;
- Provide any requested information, documentation, or explanations promptly;
- Comply with any instructions from OTSO Markets regarding position management or account closure;
- Make payment of any amounts owed within the timeframe specified by OTSO Markets.

Failure to cooperate may result in escalation to legal proceedings, regulatory enforcement, or criminal investigation, and may aggravate your liability for costs and damages.

### **16 INTELLECTUAL PROPERTY RIGHTS**

#### **16.1 Ownership and Protections:**

The Online Trading Platform and all related components, including software, trading technology, market data feeds, analytics tools, text, images, branding, logos, and any third-party content integrated into the Platform, are the intellectual property of OTSO Markets, and/or their respective licensors, and are protected by applicable:

- Copyright laws (Copyright Act 98 of 1978);
- Database rights;
- Patent protections
- Trademark registrations;
- Trade secret protections;
- Other intellectual property laws of South Africa and international treaties.

Any proprietary content created or provided by OTSO Markets, including documentation, website materials, educational content, marketing materials, risk disclosures, onboarding tools, and client communications, remains the exclusive intellectual property of OTSO Markets.

You are granted a limited, non-exclusive, non-transferable, revocable license to access and use the Online Platform solely for the purpose of conducting legitimate trading activities in accordance with these Terms and Conditions. This license does not grant any ownership rights or intellectual property interests.

#### **16.2 Restrictions on Use:**

Unless expressly permitted in writing by OTSO Markets or required by

applicable law, you may not:

- a) **Copy and Distribution:** Copy, reproduce, duplicate, or distribute any part of the Online Platform, its software, content, or related materials, except for:
  - Legitimate personal backup purposes permitted under copyright law;
  - System-generated reports, statements, or trade confirmations for your own record-keeping;
- b) **Derivative Works and Commercial Exploitation:** Create derivative works, modifications, or adaptations based on the Platform or its content, or commercially exploit, sublicense, rent, lease, or resell any part of the Platform or its functionality;
- c) **Framing and Linking:** Frame, deep-link to, embed, mirror, or reproduce the Platform or its content on other websites, applications, or digital surfaces without prior written consent from OTSO Markets;
- d) **Reverse Engineering:** Reverse-engineer, decompile, disassemble, decrypt, or otherwise attempt to access, derive, or extract the source code, algorithms, or underlying technology of the Online Platform, except where explicitly allowed under mandatory provisions of South African law (such as interoperability exceptions under copyright law).

Unauthorised use of OTSO Markets' intellectual property may result in immediate account termination, legal action for injunctive relief, and claims for damages, costs, and attorneys' fees.

### 16.3 Preservation of Notices:

You must not remove, obscure, alter, or modify any copyright notices, trademark symbols, proprietary rights legends, watermarks, or other intellectual property attributions displayed on the Online Platform, in documentation, or on any related materials.

Where authorised copies are made (such as system-generated trading reports or account statements), such proprietary notices must be retained in their original form. You agree to maintain records of any copies made and to provide relevant details to OTSO Markets where reasonably required for compliance purposes.

Violation of this provision constitutes intellectual property infringement and breach of these Terms.

## 17 LINKS TO THIRD-PARTY WEBSITES

The Online Platform, OTSO Markets' website ([www.otsogroup.com/official/](http://www.otsogroup.com/official/)), and related communications (including emails, newsletters, or educational materials) may contain hyperlinks, references, or integrations to third-party websites, services, content, or applications not controlled, owned, or operated by OTSO Markets or our associates.

These links are provided solely for your convenience, information, or educational purposes and do not constitute, imply, or suggest:

- Endorsement, sponsorship, or approval of the linked websites or their content;
- Affiliation or partnership with the third-party operators;

- Verification of the accuracy, reliability, or legality of third-party content;
- Recommendation or advice to use such third-party services.

**17.1 Disclaimer of Responsibility:**

OTSO Markets makes no representations, warranties, or guarantees regarding:

- The accuracy, completeness, timeliness, or reliability of third-party content;
- The legality, compliance, or regulatory status of third-party websites or services;
- The security, privacy practices, or data protection measures of third-party platforms;
- The availability, functionality, or uninterrupted operation of external websites.

To the extent permitted by law, OTSO Markets accepts no responsibility or liability whatsoever for any loss, damage, cost, expense, or liability arising from:

- Your access to, use of, or reliance on third-party websites or content;
- Any transactions, interactions, or agreements you enter into with third parties;
- Viruses, malware, or security breaches originating from third-party websites;
- Privacy violations, data breaches, or misuse of personal information by third parties.

**17.2 Your Responsibility:**

Access to any third-party website is entirely at your own risk. You are solely responsible for:

- Evaluating the suitability, safety, and reliability of third-party websites before use;
- Reviewing and accepting the terms and conditions, privacy policies, and other legal notices of those external platforms;
- Protecting your devices and information when visiting external websites;
- Any consequences arising from your interactions with third parties.

OTSO Markets strongly recommends exercising caution, conducting due diligence, and using appropriate security measures when accessing external websites or services linked from our Platform.

**18 TERMINATION****18.1 Termination by the Client:**

You may request to terminate your business relationship with OTSO Markets at any time by submitting written notice via email to [info@otsogroup.com](mailto:info@otsogroup.com) or by delivering written notice to our registered address at 1 Hood Avenue, Rosebank, Johannesburg, Gauteng 2196.

Termination will become effective subject to the following conditions being satisfied:

- a) **No Outstanding Obligations:** You have no outstanding payment obligations, unpaid fees, negative balances, unresolved compliance issues, or pending disputes with OTSO Markets;
- b) **Position Closure:** You have closed all open trading positions and pending orders on the Online Platform;
- c) **Final Settlement:** All profits, losses, fees, commissions, and other financial obligations have been calculated, settled, and reconciled;
- d) **Documentation Compliance:** You have provided any outstanding documentation or information required for regulatory compliance, tax reporting, or account closure procedures.

Upon satisfaction of these conditions, OTSO Markets will process the termination and arrange for the return of any remaining account balance to your nominated bank account, subject to:

- Operational constraints and regulatory requirements;
- Final verification and anti-money laundering screening;
- Deduction of any applicable fees, charges, or withholding taxes;
- Compliance with regulatory reporting requirements.

Account closure is typically completed within **five (5) to ten (10) business days** from receipt of valid termination notice and satisfaction of all conditions.

#### 18.2 Termination by OTSO Markets:

OTSO Markets may terminate the business relationship and discontinue providing services to you at any time by providing **ten (10) business days' written notice** to your registered email address and physical address on record, unless immediate termination is required under Section 18.3.

Such termination may be exercised for any reason, including but not limited to:

- Changes in regulatory requirements or business strategy;
- Risk management or compliance considerations;
- Unsuitability of your trading activity or risk profile;
- Suspected breach of these Terms and Conditions;
- Commercial or operational reasons.

#### During the Notice Period:

Upon receipt of termination notice, you must:

- **Close all open trading positions** and cancel pending orders on the Online Platform;
- **Settle any outstanding fees**, charges, or obligations owed to OTSO Markets;
- **Provide any requested documentation** or information required for final account reconciliation;

- **Withdraw remaining account balance** after final settlement.

**If You Fail to Act:**

If you fail to close your positions or settle obligations within the notice period, OTSO Markets reserves the right to:

- Close all open positions at prevailing market prices (which may result in losses);
- Deduct all outstanding fees, charges, and closure costs from your account balance;
- Apply set-off rights to satisfy any amounts owed;
- Take legal action to recover any deficits or unpaid obligations.

OTSO Markets acts as principal and counterparty in many transactions under our hybrid model, and therefore has direct authority to close positions and settle accounts.

**18.3 Immediate Termination:**

Notwithstanding the notice periods specified above, OTSO Markets may terminate the relationship with **immediate effect** (without prior notice) in the following circumstances:

- An Event of Default has occurred (as defined in Section 15);
- You have engaged in abusive trading activities (as defined in Section 7);
- You have breached material terms of these Terms and Conditions or the Client Agreement;
- We are required to do so by law, court order, or regulatory directive;
- We reasonably suspect fraud, money laundering, terrorist financing, or criminal activity;
- Continuation of the relationship would expose OTSO Markets to unacceptable legal, regulatory, or reputational risk.

In cases of immediate termination, OTSO Markets will take all actions described in Section 15 (Consequences of Events of Default), including immediate position closure and application of funds.

**18.4 Surviving Obligations:**

Termination of these Terms and Conditions (whether by you, by OTSO Markets, or by operation of law) does not affect, discharge, or extinguish any:

- Accrued Rights and Remedies:** Rights, remedies, obligations, or liabilities that have accrued prior to the effective termination date;
- Payment Obligations:** Any fees, commissions, charges, negative balances, or other amounts owed to OTSO Markets, which remain due and payable in full;
- Indemnity Obligations:** Your indemnity obligations under Section 22 and other provisions, which continue in full force to the extent permitted by law;

- d) **Confidentiality and Intellectual Property:** Obligations relating to confidentiality, intellectual property protection, and restrictive covenants;
- e) **Regulatory Compliance:** Obligations to cooperate with regulatory investigations, provide information, or comply with legal processes;
- f) **Legal Proceedings:** Any pending or potential legal claims, disputes, or proceedings arising from the relationship.

These surviving obligations remain in full force and effect until completely satisfied, performed, or resolved in accordance with applicable law.

## 19 NOTICES

### 19.1 Method of Delivery:

Unless otherwise specified in these Terms and Conditions or required by law, all notices, communications, disclosures, and other correspondence from OTSO Markets to you will be delivered via **electronic means**, including but not limited to:

- Email to your registered email address;
- The Online Platform messaging system or notifications;
- Secure client portals or account dashboards;
- SMS messages to your registered mobile number;
- Instant messaging services (where you have consented);
- Postings on our Official website ;
- Any other authorised digital communication method.

You consent to receive all communications electronically as set forth in Section 8.

### 19.2 Deemed Receipt:

Electronic communications shall be deemed received and effective:

- a) **Email:** When sent to your last known registered email address, regardless of whether you have actually read the email. Delivery is deemed to occur at the time of sending by OTSO Markets' mail server;
- b) **Online Platform:** When posted to the Online Platform or client portal, provided you have access to the Platform at that time;
- c) **SMS/WhatsApp:** When transmitted to your registered mobile number, regardless of whether you have read it;
- d) **Website:** When published on our website, for general notices or updates intended for all clients;
- e) **Alternative Methods:** When delivered by any other authorised digital communication method, in accordance with standard industry practices.

You acknowledge that electronic delivery satisfies any legal requirement for communications to be "in writing" to the extent permitted by the ECTA.

### 19.3 OTSO Markets' Disclaimer:

OTSO Markets is not responsible for any delay, failure, non-delivery, or loss of communications caused by:

- Third-party email service providers or internet service providers;
- Email spam filters, firewalls, or security settings that block or divert our communications;
- Incorrect, outdated, or invalid contact details provided by you;
- Technical failures, system outages, or telecommunications disruptions beyond our reasonable control;
- Your failure to regularly monitor your email, platform notifications, or other communication channels.

#### 19.4 Client Responsibilities:

It is **your sole responsibility** to:

- Ensure that your contact details (email address, physical address, mobile number) are **accurate, current, and regularly monitored** for important notices, including margin calls, regulatory updates, and account warnings;
- Update your contact information immediately upon any change by logging into the Online Platform or by notifying us in writing at [info@otsogroup.com](mailto:info@otsogroup.com);
- Check your email inbox, spam/junk folders, and platform notifications regularly (at least daily when you have open positions);
- Maintain secure and reliable internet connectivity and email access;
- Respond promptly to any communications from OTSO Markets, particularly time-sensitive notices.

**19.5** Failure to maintain current contact information or to monitor communications may result in missed margin calls, account liquidations, regulatory non-compliance, or other adverse consequences for which OTSO Markets bears no liability.

#### 19.6 Notices from Client to OTSO Markets:

Any notices, requests, complaints, or other communications from you to OTSO Markets must be sent:

**By Email:**

- General inquiries: [info@otsogroup.com](mailto:info@otsogroup.com)
- Support and technical issues: [info@otsogroup.com](mailto:info@otsogroup.com)

**By Physical Mail:** OTSO Markets (Pty) Ltd 1 Hood Avenue, Rosebank Johannesburg, Gauteng 2196 South Africa

**By Telephone:** Contact details are published on our website ([www.otsogroup.com/official/](http://www.otsogroup.com/official/))

Notices from you to OTSO Markets are deemed received only when actually received and acknowledged by us during business hours (Monday to Friday, 09:00 to 17:00 South African Standard Time, excluding public holidays).

## 20 COMPLAINTS RESOLUTION PROCEDURE

OTSO Markets is committed to providing high-quality services and maintaining fair, transparent relationships with all clients. We take all complaints and concerns

seriously and have established a comprehensive complaints resolution procedure in accordance with the **FAIS Act** and **FSCA regulations**.

### 20.1 How to Submit a Complaint:

If you have any complaint, concern, or dispute regarding:

- The services provided by OTSO Markets;
- Trading execution or platform functionality;
- Fees, charges, or account transactions;
- Client service or communication issues;
- Any other aspect of your relationship with us;

Please submit your complaint using one of the following methods:

#### By Email:

- Complaints email: [info@otsogroup.com](mailto:info@otsogroup.com)
- Subject line: "Formal Complaint – [Your Account Number]"

**By Written Letter:** OTSO Markets (Pty) Ltd Attention: Complaints Officer 1  
Hood Avenue, Rosebank Johannesburg, Gauteng 2196 South Africa

**Online:** Visit our website at [www.otsogroup.com/official/](http://www.otsogroup.com/official/) and access the Complaints Resolution section under Legal Documents or Client Support.

### 20.2 Information to Include:

To assist us in resolving your complaint efficiently, please provide:

- Your full name and account number;
- Detailed description of the complaint, including dates, times, and relevant circumstances;
- Supporting documentation (such as trade confirmations, screenshots, correspondence);
- Your preferred resolution or outcome;
- Your contact details for follow-up communication.

### 20.3 Our Complaints Process:

**Step 1: Acknowledgment (within 2 business days)** We will acknowledge receipt of your complaint and provide you with a reference number for tracking purposes.

**Step 2: Investigation (within 10 business days)** Our Complaints Officer will investigate the matter thoroughly, reviewing relevant records, communications, and circumstances.

**Step 3: Resolution (within 30 business days)** We will provide you with a written response outlining:

- Our findings and conclusions;
- The resolution or remedy (if applicable);
- Explanation of our decision;
- Your right to escalate if you are not satisfied.

If the complaint is complex and requires additional time, we will notify you of the delay and provide an estimated resolution timeline.

#### 20.4 Escalation to FAIS Ombud:

If you are not satisfied with OTSO Markets' resolution of your complaint, or if we fail to resolve the complaint within **six (6) weeks**, you have the right to escalate the matter to the **Office of the FAIS Ombud**:

##### **FAIS Ombud Contact Details:**

- Physical Address: Maude Street, Sandown, Johannesburg
- Postal Address: PO Box 74571, Lynnwood Ridge, 0040
- Telephone: +27 (0)12 470 9080
- Email: [info@faisombud.co.za](mailto:info@faisombud.co.za)
- Website: [www.faisombud.co.za](http://www.faisombud.co.za)

The FAIS Ombud is an independent statutory body that investigates and resolves complaints against financial services providers at no cost to consumers.

#### 20.5 Full Procedure Available Online:

Our complete **Complaints Handling Procedure**, including detailed timelines, escalation pathways, and regulatory frameworks, is available on our website at: <https://otsogroup.com/official/legal-documentation/>

You are encouraged to review this document to understand your rights and our obligations under South African law.

### 21 COMMUNICATION

#### 21.1 Communication Channels:

OTSO Markets may communicate with you through various channels and methods, including but not limited to:

- Email correspondence;
- Telephone calls (which may be recorded for compliance, training, and quality assurance purposes);
- Our website (<https://otsogroup.com/>);
- Secure client portals and account dashboards;
- Newsletters, market updates, and educational materials;
- SMS text messages and push notifications;
- WhatsApp, Telegram, or other instant messaging platforms (where you have consented);
- Electronic chat systems and customer support messaging;
- Social media platforms (Facebook, Twitter, LinkedIn, Instagram) for general announcements;
- Any other methods deemed appropriate for regulatory, administrative, support-related, or marketing purposes.

##### **Communications may relate to:**

- Trading activities, margin requirements, and account status;
- Platform functionality, updates, and technical issues;
- Regulatory disclosures and compliance notices;
- Legal documentation and amendments to terms;

- Marketing and promotional offers (subject to your consent preferences and direct marketing regulations);
- General client service and support.

### 21.2 Contact Details and Client Responsibility:

OTSO Markets will use the contact information you provided during account opening, or as subsequently updated by you in writing or via the Online Platform.

**You are solely responsible for:**

- Ensuring that all contact details, including email address, mobile phone number, physical address, and legal name, are **accurate, current, and functional** at all times;
- Notifying OTSO Markets immediately of any changes to your contact information;
- Monitoring all communication channels regularly for important notices;
- Ensuring that email spam filters, firewalls, or security settings do not block communications from OTSO Markets.

**Consequences of Outdated Information:**

Failure to maintain current contact details may result in:

- Missed margin calls leading to automatic position closures and losses;
- Missed regulatory notices or compliance deadlines;
- Delayed or failed processing of withdrawal requests;
- Account restrictions or suspension;
- Regulatory non-compliance.

OTSO Markets accepts no responsibility whatsoever for any consequences, losses, damages, or liabilities arising from your provision of outdated, incorrect, or non-functional contact details.

### 21.3 Language of Communication:

All formal communications, legal documentation, regulatory disclosures, and contractual notices, including these Terms and Conditions, the Client Agreement, Risk Disclosure Notice, and all amendments, are conducted and published in **English**.

Where translations or summaries are provided in other languages for convenience or accessibility:

- Such translations are provided on a best-efforts basis and may contain errors or omissions;
- The **English language version** shall prevail and shall be the authoritative text in the event of any discrepancies, inconsistencies, ambiguities, or disputes;
- You acknowledge that you have read and understood the English version, or have obtained an independent translation or legal advice as necessary.

If English is not your first language or you do not fully understand the English documentation, you are strongly advised to seek independent professional advice before entering into any agreement with OTSO Markets.

#### 21.4 Recording of Communications:

You acknowledge and consent that OTSO Markets may **record, monitor, and retain** telephone calls, electronic chats, video calls, and other communications between you and OTSO Markets for purposes including:

- Regulatory compliance and supervision;
- Training and quality assurance;
- Dispute resolution and evidence preservation;
- Fraud prevention and security;
- Internal audit and risk management.

Recordings and transcripts may be used as evidence in legal proceedings, regulatory investigations, or internal dispute resolution processes. You waive any objection to the admissibility of such recordings as evidence.

Recordings are retained in accordance with regulatory requirements and our internal data retention policies (at least **five (5) years or longer** where required by applicable law or regulation from the date of communication).

#### 21.5 Contact Information for OTSO Markets:

##### General Inquiries and Support:

- Email: [info@otsogroup.com](mailto:info@otsogroup.com)
- Website: <https://otsogroup.com/>

**Physical Address:** OTSO Markets (Pty) Ltd 1 Hood Avenue, Rosebank Johannesburg, Gauteng 2196 South Africa

##### Regulatory Information:

- FSP License Number: 54190
- Company Registration: 2024/083762/07
- Regulator: Financial Sector Conduct Authority (FSCA)

**Business Hours:** Monday to Friday: 09:00 – 17:00 (South African Standard Time) Excluding South African public holidays

For urgent trading-related issues outside business hours, please use the Online Platform's support messaging system or contact details provided within the Online Trading platform.

## 22 GENERAL PROVISIONS

### 22.1 Compliance with Laws:

OTSO Markets provides its trading services and operates its business in **strict compliance** with all applicable laws, regulations, regulatory directives, recognised market conduct standards, and industry best practices, including but not limited to:

**South African Legislation:**

- Financial Advisory and Intermediary Services Act, 2002 (FAIS Act);
- Financial Intelligence Centre Act, 2001 (FICA);
- Financial Markets Act, 2012 (FMA);
- Protection of Personal Information Act, 2013 (POPIA);
- Consumer Protection Act, 2008 (CPA);
- Electronic Communications and Transactions Act, 2002 (ECTA);
- Companies Act, 2008;
- Prevention and Combating of Corrupt Activities Act, 2004;

**Regulatory Requirements:**

- FSCA regulations, circulars, and directives;
- Financial Action Task Force (FATF) recommendations;
- International sanctions regimes (UN, EU, OFAC, etc.);
- Anti-money laundering and counter-terrorist financing obligations;
- Client asset protection and segregation rules;

**Conflict Resolution:**

If any provision of these Terms and Conditions is found to conflict with prevailing laws, regulations, court orders, or regulatory rules:

- The relevant **legal or regulatory provision shall prevail** over the conflicting term;
- The remainder of these Terms shall continue in full force and effect;
- OTSO Markets will take reasonable steps to amend the Terms to bring them into compliance.

**Regulatory Compliance Actions:**

OTSO Markets reserves the right to take any action reasonably necessary to ensure compliance with legal or regulatory obligations, including but not limited to:

- Suspending or restricting trading activities or account access;
- Requesting additional documentation or enhanced due diligence;
- Freezing or blocking transactions pending compliance verification;
- Reporting suspicious activities to regulatory or law enforcement authorities;
- Terminating the business relationship without prior notice;
- Disclosing client information to regulatory authorities as required by law.

You acknowledge that such actions may be taken without your consent or prior notice where immediate action is required by law, regulation, or court order.

**22.2 Survival of Obligations:**

Any rights, obligations, duties, liabilities, or provisions under these Terms and

Conditions that, **by their nature or express terms, are intended to survive termination** of the business relationship shall remain in full force and effect until fully performed, satisfied, or resolved. These include but are not limited to:

**Financial Obligations:**

- Payment of fees, commissions, charges, or negative balances;
- Repayment of amounts owed to OTSO Markets;
- Settlement of trading-related liabilities;

**Indemnity and Liability Provisions:**

- Your indemnity obligations in favor of OTSO Markets;
- Limitations and exclusions of liability;
- Waivers of claims or damages;

**Confidentiality and Intellectual Property:**

- Obligations to protect confidential information;
- Intellectual property rights and restrictions on use;
- Non-disclosure obligations;

**Regulatory and Compliance:**

- Obligations to cooperate with regulatory investigations;
- Provision of information or documentation upon request;
- Compliance with anti-money laundering and tax reporting;

**Legal Proceedings:**

- Governing law and jurisdiction provisions;
- Dispute resolution and arbitration clauses;
- Rights to pursue legal remedies;

**Data Protection:**

- Processing and retention of personal data in accordance with POPIA;
- Rights and obligations under the Privacy Policy.

Termination does not discharge you from obligations incurred or liabilities arising prior to the termination date.

**22.3 Severability:**

If any provision, clause, term, or portion of these Terms and Conditions is held to be **invalid, illegal, unlawful, unenforceable, or contrary to public policy** by any court, tribunal, arbitrator, or competent regulatory authority:

- That provision shall be **severed** (removed) from these Terms;
- The **remaining provisions** shall continue to be valid, binding, and enforceable to the fullest extent permitted by law;
- The severed provision shall be replaced, to the extent possible, with a valid and enforceable provision that most closely reflects the original intent and economic effect of the invalid provision.

No severance of any provision shall affect the validity or enforceability of any other provision, and these Terms shall be construed as if the invalid provision had never been included.

**22.4 No Waiver:**

Any failure, delay, forbearance, or omission by OTSO Markets to enforce, exercise, or insist upon strict performance of any right, remedy, power, or provision under these Terms and Conditions shall not constitute a waiver of such right, remedy, power, or provision, nor shall it preclude or restrict:

- The future exercise or enforcement of that right or remedy;
- The exercise or enforcement of any other right or remedy.

Any waiver by OTSO Markets of any breach or default by you shall not be deemed a waiver of any subsequent breach or default, whether of the same or any other provision.

All rights and remedies available to OTSO Markets under these Terms are **cumulative** and are not exclusive of any other rights or remedies provided by law, equity, contract, or statute. OTSO Markets may pursue any or all available remedies concurrently or sequentially.

No waiver shall be effective unless made in writing and signed, including electronic signatures permitted under ECTA.

**22.5 Limitation Period for Legal Claims:****Time Limit for Commencing Action:**

Any legal action, claim, proceeding, or suit arising out of, in connection with, or relating to these Terms and Conditions, the Client Agreement, or your relationship with OTSO Markets must be initiated within:

- **Two (2) years** from the date on which the cause of action is discovered, or reasonably ought to have been discovered by you; **or**
- **Two (2) years** from the date of termination of your relationship with OTSO Markets;

**Whichever occurs first.**

**Absolute Time Bar:**

In any event, no legal action may be brought more than **two (2) years after the termination** of your business relationship with OTSO Markets, regardless of when the cause of action was discovered.

**Requirement for Timely Notification:**

To preserve your rights and comply with this limitation period, you must:

- Notify OTSO Markets in writing of any claim, dispute, or potential legal action **promptly** upon discovery;

- Provide sufficient detail and supporting documentation to enable investigation and resolution;
- Cooperate in good faith to resolve the matter through negotiation or our complaints procedure before commencing legal proceedings.

**Effect of Expiry:**

After expiry of the applicable limitation period, you shall be **forever barred** from bringing any claim or action against OTSO Markets, and any such claim shall be deemed waived, abandoned, and unenforceable.

This limitation period applies to the fullest extent permitted by South African law, including the Prescription Act 1969.

**22.6 Assignment and Transfer:****OTSO Markets' Right to Assign:**

OTSO Markets may, at our sole discretion and without your consent, assign, transfer, novate, or otherwise dispose of any or all of our rights, obligations, or interests under these Terms and Conditions to:

- Any affiliate, subsidiary, or holding company within the OTSO Group;
- Any successor entity resulting from merger, acquisition, or corporate reorganization;
- Any third party in connection with a sale of business or assets.

We will notify you of any such assignment where required by law or regulation.

**Restrictions on Client Assignment:**

You may **not** assign, transfer, charge, or otherwise deal with your rights or obligations under these Terms and Conditions without the prior written consent of OTSO Markets. Any purported assignment without consent shall be void and of no effect.

**22.7 Force Majeure:**

OTSO Markets shall not be liable for any failure, delay, or inability to perform any obligation under these Terms and Conditions if such failure is caused by circumstances beyond our reasonable control, including but not limited to:

- Acts of God (earthquakes, floods, storms, natural disasters);
- War, terrorism, civil unrest, riots, or armed conflict;
- Government actions, legislation, or regulatory changes;
- Strikes, labor disputes, or industrial action;
- Failure or malfunction of telecommunications, internet, or power infrastructure;
- Cyberattacks, hacking, or distributed denial-of-service attacks;
- Failure of exchanges, markets, custodians, liquidity providers, or other third parties;
- Pandemic, epidemic, or public health emergency;

- Any other event constituting force majeure under South African law.

During a force majeure event, OTSO Markets may suspend or modify services, close positions, restrict trading, or take other protective measures without liability. OTSO Markets shall not be liable for any losses arising from force majeure events, and may suspend or modify services, close positions, or take protective measures as reasonably required.

## 23 GOVERNING LAW AND JURISDICTION

### 23.1 Governing Law:

These Terms and Conditions, the Client Agreement, and all aspects of the relationship between you and OTSO Markets shall be **governed by, construed in accordance with, and interpreted under the laws of the Republic of South Africa**, without regard to conflict of law principles.

This includes application of:

- South African common law;
- South African statutory law and regulations;
- Principles of equity and fairness are recognised under South African law.

### 23.2 Exclusive Jurisdiction:

Both you and OTSO Markets **irrevocably submit** to the **exclusive jurisdiction** of the courts of the Republic of South Africa for the resolution, determination, and adjudication of any disputes, claims, proceedings, or matters arising out of or in connection with:

- These Terms and Conditions;
- The Client Agreement;
- Any transaction or relationship between you and OTSO Markets;
- Any breach, termination, or enforcement of these Terms.

You expressly and irrevocably **waive any objection** to:

- The jurisdiction of the South African courts;
- The venue of proceedings in South Africa;
- Any claim that such forum is inconvenient, improper, or lacking jurisdiction.

### 23.3 OTSO Markets' Right to Pursue Action Elsewhere:

Notwithstanding the above, OTSO Markets **reserves the right** to initiate or participate in legal proceedings against you in **any other jurisdiction** where such action is necessary, appropriate, or advantageous to:

- Protect our legal rights or enforce our interests;
- Obtain urgent, interim, or equitable relief (such as injunctions or asset freezing orders);
- Enforce judgments or recover debts;
- Comply with regulatory requirements or court orders in other jurisdictions;
- Pursue claims related to assets or activities located outside South Africa.

This right is in addition to, and not in substitution for, the exclusive jurisdiction provisions above.

### **23.4 Enforcement of Judgments:**

Any judgment, order, or award obtained in the courts of South Africa shall be final and binding on you, and you consent to the enforcement of such judgments in any other jurisdiction where you have assets or presence.

## **24 Definition**

- **Abnormal Market Conditions:** circumstances deviating from normal market operations, characterised by low liquidity, rapid price movements, wide spreads, or price gaps, often triggered by macroeconomic shocks, geopolitical events, or technical disruptions.
- **Abusive Trading:** any deliberate or systematic trading practice intended to exploit system features, manipulate markets, or gain unfair advantages, including but not limited to scalping, sniping, arbitrage, price manipulation, swap-free abuse, latency abuse, credit/bonus abuse, or use of unauthorised automated systems (e.g., robots, spiders) without prior written consent from OTSO Markets.
- **Access Data:** the unique combination of login username, password, and any additional security codes or tokens issued by OTSO Markets to enable secure access to the Online Platform and execution of trading instructions.
- **Account Opening Application Form:** the detailed questionnaire completed by the Client during onboarding, capturing information on identity, financial status, investment experience, and objectives to comply with regulatory requirements (e.g., KYC, AML, suitability assessments).
- **Applicable Regulations:** the comprehensive set of laws, rules, and standards governing our operations, including:
  - The FAIS Act and FSCA regulations in South Africa.
  - International AML, KYC, and Counter-Terrorist Financing (CTF) standards as recognised by South African law and international organizations, including the United Nations and the World Bank.
  - Rules of relevant markets or exchanges, where applicable.
- **Ask:** the higher price in a price quote at which a Client may purchase a CFD, reflecting the cost to enter a long position.
- **Authorised Representative:** an individual or entity duly authorised by the Client, through a Power of Attorney or other legal documentation, to access and operate the Client's account on their behalf.
- **Balance:** the total sum of net deposits in the Client's trading account, adjusted for realised profits and losses, commissions, and swap fees.
- **Bid:** the lower price in a price quote at which a Client may sell a CFD, reflecting the cost to enter a short position.
- **Client Account:** the personalised, secure account maintained by OTSO Markets for each Client, recording all completed transactions, open positions, orders, deposits, withdrawals, and account balances. Also referred to as the Trading Account.

- **Contract for Differences (CFD):** a derivative contract between a buyer and seller to exchange the difference in the price of an underlying asset from the opening to the closing of the contract, settled in cash without physical delivery unless specified.
- **Currency Pair:** the underlying asset of a CFD transaction based on the exchange rate between two currencies (e.g., EUR/USD), where the Quote Currency is the amount needed to purchase one unit of the Base Currency.
- **Dealing:** the act of trading against proprietary capital to conclude transactions in financial instruments, synonymous with trading on own account.
- **Equity:** the Client's account balance plus or minus any unrealized (floating) profits or losses from open positions, calculated as:  $\text{Equity} = \text{Balance} + \text{Floating Profit} - \text{Floating Loss}$ .
- **Free Margin:** the amount of funds available in the Client Account for opening new positions or maintaining existing ones, calculated as:  
 $\text{Free Margin} = \text{Equity} - \text{Margin Requirement}$ .
- **Hedged Margin:** the minimum margin required to open and maintain matched (offsetting) positions in CFD trading, as specified by OTSO Markets.
- **Initial Margin:** the minimum margin required to open a new position, based on the Product's margin rate and market exposure.
- **Instruction:** a directive from the Client to OTSO Markets to open, close, modify, or delete a position or order.
- **Instrument:** any CFD offered on the Online Platform, encompassing various underlying assets.
- **Investment Services:** the intermediary services provided by OTSO Markets under our FSCA license, as detailed in our regulatory disclosures.
- **Law:** the legal framework of the Republic of South Africa applicable to OTSO Markets, including the Financial Advisory and Intermediary Services Act (FAIS Act), the Financial Intelligence Centre Act (FICA), the Financial Markets Act (FMA), the Electronic Communications and Transactions Act (ECTA), the Companies Act, and any other relevant South African legislation, subordinate rules, regulatory directives, and FSCA-issued conduct standards.
- **Leverage:** the ratio by which a Client's deposit is multiplied to increase purchasing power (for example, 1:50 leverage allows a USD 1,000 deposit to control USD 50,000 in exposure). Leverage amplifies both potential gains and potential losses and is subject to OTSO Markets' risk limits and FSCA conduct expectations.
- **Margin Call:** a notification or requirement issued when the Client's margin level falls below OTSO Markets' specified threshold, requiring the Client to deposit additional funds to maintain existing open positions or to avoid automatic liquidation.
- **Margin Requirement:** the amount of funds required to open or maintain a trading position, calculated using the applicable margin rate relative to the market exposure of the CFD instrument.
- **Margin Trading:** trading using leverage, where the Client enters into CFD

transactions with exposure significantly larger than the Client's deposited capital, increasing both potential risk and potential return.

- **Open Position:** Any active CFD position (long or short) that remains unsettled and is therefore subject to ongoing market price movements until closed.
- **Order:** a client instruction delivered to OTSO Markets to execute, modify, or cancel a CFD trade, including market orders, limit orders, stop-loss orders, and take-profit orders.
- **Personal Data:** any information relating to an identifiable individual, including name, identification details, contact information, financial information, account history, or other personal attributes, processed in accordance with the Protection of Personal Information Act (POPIA) and OTSO Markets' Privacy Policy.
- **Platform:** the electronic trading system operated by OTSO Markets, which includes software, servers, databases, communication interfaces, and technological infrastructure that enables Clients to execute CFD transactions, access market data, manage accounts, and obtain related services.
- **Principal:** refers to OTSO Markets acting as the counterparty to Client transactions under the principal execution model. When acting as principal, OTSO Markets sets pricing, executes Client trades directly, and assumes exposure arising from such transactions.
- **Quote:** the current bid and ask prices for a specific underlying asset, reflecting market conditions at a given time, as provided through the Online Platform.
- **Quote Currency:** the second currency in a currency pair, used to price the base currency in a CFD transaction (e.g., in EUR/USD, USD is the quote currency).
- **Required Margin:** the total funds required to secure open positions in a CFD transaction, based on the margin rate and market exposure of the product being traded.
- **Segregated Account:** a client bank account maintained in accordance with regulatory requirements to ensure client funds are kept separate from OTSO Markets' operational funds. This complies with FSCA regulations for client money protection.
- **Short Position:** a CFD sell position that gains value if the underlying market price falls, allowing the client to profit from price decreases in the asset.
- **Sniping:** a form of Abusive Trading involving the execution of trades to exploit misquotations or delays caused by the automated nature of the Platform, often to manipulate market prices.
- **Spread:** the difference between the bid and ask prices of a CFD, representing a key transaction cost for the Client. It reflects market liquidity and the cost to enter or exit a position.
- **Swap Fee:** the interest charge or credit applied to positions held overnight, reflecting financing costs or benefits, depending on market conditions and the interbank interest rate differential.
- **Trading Account:** synonymous with Client Account, encompassing all trading

and financial activities recorded for the Client on the Online Platform, including deposits, withdrawals, trades, and positions.

- **Trailing Stop:** a dynamic stop-loss order that adjusts automatically with market price movements to lock in profits for a long position. It triggers a market order if the price falls by a specified amount from the highest price reached.
- **Transaction:** any CFD trade, deposit, withdrawal, or other financial activity recorded in the Client's trading account on the Online Platform.
- **Website:** the official website of OTSO Markets is <https://otsogroup.com/> , or any other website designated by OTSO Markets for the provision of services and client communication.