



**AIVIA WEALTHTECH, INC**

**Security Deposit**

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## Description and General Terms:

Security Deposit is a mechanism that enables to limit losses of the Investor's initial deposit.

An investor can make a request for a security deposit to be posted by a trader in the amount up to the maximum declared percentage of the loss of the Investor's deposit. For example, if an investor's initial deposit is 1 BTC. Trader declares the maximum allowable drawback (loss of the Investor's initial deposit) 30%. An investor may request a Security Deposit in any amount from 0 BTC and up to 0.3 BTC. If a trader agrees to post a security deposit, the agreed amount will be transferred to the custodial wallet. After the trader deposited the requested amount as a security deposit, the Investor will be able to pass the API and Secret key to the trader for AuM. Investor understands, declares, and agrees, that security deposit posted for limiting the loss of initial deposit only. Security Deposit will not secure gains or profits.

### Terms of Disposition of the Security Deposit:

1. Trader losses the maximum declared allowable percentage of the Investors Initial Deposit. Trader understands, declares and agrees that if a stop loss is executed and the position is closed, the entire Security Deposit will be transferred to the investor. The API key, the Secret will be disabled and access to the Investors account will be suspended. The Investor will be able to link to the same trader by submitting a new request. The new API, Secret key and new Security Deposit (if any) will need to be negotiated and posted at that time.

**Example:** *Investor's Initial Deposit is 1 BTC. Trader declares maximum allowable drawback (loss of the Investor's initial deposit) 30% that is 0.3 BTC. Trader posted a Security Deposit of 0.15 BTC. The trading activity leads to the stop loss at 0.7 BTC. The investor lost 0.3 BTC. AIVIA transfers 0.15 BTC to the investor.*

2. A trader makes a profit and agrees to the Trailing Stop by the AIVIA platform. If a trader makes a profit higher than the maximum declared allowable drawback (loss of the Investor's initial deposit) and agrees to execute Trailing Stop then AIVIA will return posted Security Deposit upon request.

**Example:** *Investor's Initial Deposit is 1 BTC. Trader declares maximum allowable drawback (loss of the Investor's initial deposit) 30% that is 0.3 BTC. Trader posted a Security Deposit of 0.15 BTC. The trading activity leads to profits of 0.5 BTC. Trader agrees to Trailing Stop of 30% which will ensure the stop loss triggered at 1.05 BTC ( $1.5 \text{ BTC} - 0.45 \text{ BTC (30\%)} = 1.05 \text{ BTC}$ ). Upon request Security Deposit in the amount, 0.15 BTC will be returned to the trader.*

3. A trader makes any profit and decides to stop any trading activity. A trader can prove that there are no losses on the account. The API, Secret key and access to investor accounts are suspended. Upon request, the trader will receive the Security Deposit.

**Please note:**

AIVIA and Trader have no liability to transfer the Security Deposit to the investor if the technology of crypto exchange failed to function properly. AIVIA will determine if the loss occurred as the result of the malfunction or failure of the technology of the crypto exchange.

In case of a stop loss transaction executed and loss of initial deposit has been realized, Investor has to submit a request to AIVIA support for the Security Deposit to be transferred to the Investors account. AIVIA will conduct the research and determine if in fact investors are entitled to receive a Security Deposit.

**Trader Agrees to Follow a Trading Strategy**

When creating a project, a trader describes a trading strategy in its profile.

According to the described strategy, the trader is required to comply with the time frame, the number of transactions and unrealized loss (negative PnL).

AIVIA determines which trading strategy trader follows and determines the timeframe and the number of trades.

In case if a trader deviates from the trading strategy and deliberately keeps the position open for a prolonged period of time in an unrealized loss, (negative PnL), the Investor has the right to request a security deposit to be transferred to the Investor.

Classification of trading strategies and time frames for keeping an open position in an unrealized loss (negative PnL).

1. Day Trading at least 1 transaction per day with a maximum time frame for open position for 7 business days
2. Swing Trading 2-5 transactions per month with a maximum time frame for open position for 2 months
3. Long Term Trading 2-3 transactions within 3-6 months with a maximum time frame for open position for 6 months

The time frame for the security deposit will depend on the Trader's strategy. The investor will be notified and will be able to choose the appropriate strategy.

If the trader exceeds the allowable time frame, the security deposit will be transferred to the investor upon request due to the trader's failure to perform a trading activity.

### **Investor Responsibilities**

1. When linked to a trader, the amount of the deposit and the amount of the security deposit cannot be changed. If the Investor disables the API keys or disables the trader in any other way to conduct trading for any reason, without allowing for Stop Loss being triggered when maximum indicated drawdown has been reached, then the trader is not responsible for any circumstances. In this case the security deposit is returned to the trader. Every time Investor requests to be linked to a trader the security deposit amount should be agreed upon with the trader and will be treated as a new transaction.
2. AIVIA and traders are not responsible for technical failures of the crypto exchange. If a drawdown and a loss of deposit in part or in full occurred due to technical malfunctions in the operation of the exchange, the Investor cannot claim a security deposit. The investor already agrees and understands all the risks of total loss of assets associated with technology failures in paragraph 5 of the risk disclosure statement. (5. Technology failure: AIVIA provides technical solutions for investors and traders in good faith and puts the best effort forward to accommodate our users. In the event that technology fails, you may be subject to the risk of losing your account data and might be at risk of losing your assets.)
3. An investor is not entitled to receive a security deposit if Investor did not follow the proper Protocol for Unlinking from Traders and Trading.

**ATTENTION!!!! UNLINKING FROM TRADERS, OR TRADING ROBOTS WITHOUT FOLLOWING THE PROTOCOL MAY RESULT IN THE COMPLETE LOSS OF YOUR DEPOSIT. In order to avoid losing your deposit when unlinking from traders or trading robots, an Investor must**

**follow this protocol and instructions. There are many reasons why investors might want to unlink for disconnecting from a trader or trading bots. For example, taking profits, or creating an investment portfolio, by distributing a deposit among several traders with different trading strategies, and several trading robots. Please follow this step-by-step instruction to limit the risks associated with the loss of your deposit when unlinking from traders or trading robots.**

### **Step 1.**

Before unlinking from a trader you need to make sure that there is no open transaction on your exchange account in BITMEX. First of all, check the “Current PNL” indicator on the AIVIA platform. If you find yourself in the list of investors and in front of your number any numbers are shown in the PNL tab - this means that at the moment the trading position is open by your trader or a trading bot. Please note: the indicator can have both a positive percentage and a negative one. In any case, this means that a trading position has been opened on your BITMEX exchange account.

Therefore, you cannot interfere in the trading process and cannot unlink at the moment. If you interfere in the trading process, you are risking losing your entire deposit. The trader does not bear any responsibility for your decisions to intervene in the trading process by unlinking from the trader, closing trading position yourself or in any other way.

### **Step 2.**

If 0% is indicated on the PNL tab, this means that the trader did not open trading positions, and it is a high probability, there are no open trading positions on your BITMEX exchange account, but there are exceptions. For example, if a trader opens a trading position at the very moment when you want to unlink from him. You need to log into your exchange account, go to the balance of funds section and make sure that there are no open positions. Before unlinking from a trader, you must make sure that the trader does not have any open positions on your exchange account, and there are no open positions.

If you have open positions on your account, then unlinking from traders, withdrawing funds or any other actions on the exchange account is prohibited. The only action that is allowed is to increase your trading deposit. Withdrawal while trading position is open might cause 100% in liquidation of your entire balance. If there are no open positions, then you can safely unlink from the trader. We recommend that you do this procedure after the end of the trading month, when you pay the trader’s invoice, then you check whether you have an open trading position. If there are no open trading positions on your account you can safely unlink from the trader,

withdraw profits, distribute your trading deposit among different accounts in order to link with other traders, to diversify your risks.

This protocol must be followed to unlink from a trader and is the safest procedure when using copy trading technology

When linking to a trader with API keys, you must not only click "dunlink from the trader" on the AIVIA platform, but also disable your API keys on the exchange account in the API keys section

It is important to understand how you are linked to the trader. If you are connected through an API key, then when unlinking from a trader, you MUST disable the API Key.

After you complete all the necessary steps on your exchange account, click enable API keys and you can reconnect to the trader on the AIVIA platform

If you are linked to a trader through copy-trading technology, then there is no need to disable API keys. An Investor can click on the "Unlink from the trader" button on the platform to disconnect from the trader.