



Bots Performance POLICY

BOTS Group

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Purpose

The Bots Performance Policy provides a clear and simple understanding of how an automated trading strategy, as defined in the Bot Creator Terms and Conditions (hereinafter referred to as “**bot**” or “**bots**”) should perform, and the steps that need to be taken to have well-performing bots on the BOTS Platform.

It is strictly our duty to ensure that our users/customers have access to the best bots available at all times. Therefore, BOTS reserves the right to remove an Underperforming bot from the BOTS Platform as indicated in clause 11 of the Bot Creator Terms and Conditions.

Before a bot is published on the BOTS Platform, it goes through different stages, including a quarantine period in the testing environment. However, once they are released and are faced with real market conditions, it is of the utmost importance that they keep performing well with the goal of generating the best returns for customers.

Furthermore, this policy will provide you with a clear explanations on how BOTS calculates the performance of a bot and the rules that need to be followed to maintain a good standard of bots on the BOTS Platform.

Scope

This (performance) policy applies to all bots available or released on the BOTS Platform. This policy applies to the Bot Creators creating such bots, who are also responsible for maintaining the standards of BOTS, in line with the provisions of Bot Creator Terms & Conditions. By becoming a Bot Creator and accepting the Bot Creator Terms & Conditions, you also agree to be bound by this Bot's Performance Policy.



What can affect the performance of a bot

The performance of a bot can be affected by different factors such as the market conditions, the coin that it is trading in, the behavior of the strategy, the fees, the spread, the slippage, the order execution, and more.

Below, we provide a clear way to calculate a bot's performance, and how to determine whether it is underperforming.

Performance Criteria

BOTS calculates the performance of a bot in the following way: The Profits and Losses ("PnL") of a bot(+100) is divided by the PnL of the traded asset (+100).

$$\frac{(\text{PnL of bot} +100)}{(\text{PnL of traded asset} +100)} = \text{The bots performance (ratio)}$$

A well-performing bot is required to have a performance ratio greater than(>) 0.75 and should be in the top 75 % of bots on the platform in terms of performance.

Underperforming bot(s)

We are continuously monitoring and reviewing the bottom 25% of bots in terms of performance. Bots with a performance ratio less than(<) 0.75 will fall into the Warning/Deleting process.

When BOTS becomes aware that a bot is underperforming and is causing the customers to lose their investment, it is in the best interest of all parties involved to minimize such a loss.



Warning/ Deleting process

The warning/deleting process is a process through which BOTS gives the Bot Creator the opportunity to improve the performance of a bot. If the bot does not improve, it will be removed from the platform. However, if BOTS has reasonable grounds to believe that a Trading Strategy's excessive loss is unacceptable and incapable of improvement, BOTS will remove any such Trading Strategy from the BOTS Platform immediately as defined in clause 11 of the Bot Creator Terms and Conditions in order to protect interests of customers

Formal notice:

When a bot is in the Warning/Deleting Process, BOTS will inform the Bot Creator with a formal warning by sending the Bot Creator a formal notice letter through email. The formal notice letter will provide the Bot Creator with the bot or the list of bots that need to be improved and also provide a list of conditions that need to be met in order for the bot(s) to remain on the BOTS platform.

The Conditions for Underperforming bots

Once a Bot Creator has received the formal notice letter, the conditions listed below are set and will apply to each bot starting from the date of receipt of the notice. If these conditions are not met, BOTS will remove the bot(s) in question from the BOTS platform.

1. The bot(s) will be capped immediately with 50%.

If the bot has space left, it will be capped immediately with 50%, limiting the space available and restricting the number of customers that would be able to start the bot in question.

2. The bot(s) needs to have a performance (ratio) with a value of greater than (>) 0.75.

As mentioned in the performance criteria, bots on the platform should have a Performance ratio greater than(>)0.75. This means that the Bot Creator needs to improve the bot's performance to have a value greater than(>)0.75.

3. You have 60 days, to reach this goal and improve the bot(s)' performance. This period of two months will have an **evaluation halfway through** at 30 days.



BOTS provides the Bot Creator with 60 days, starting from the day of receipt of the notice, to improve the performance of the bot. At the end of the 60 days, the bots must have a performance ratio greater than(>) 0.75.

4. The bot(s) must show significant improvements at the halfway mark 30 days. If the bot performs worse at the halfway mark, BOTS will (immediately) remove it from the platform.

The evaluation moment halfway through at 30 days is for BOTS to check whether the Bot Creator is indeed working on improving the bot's performance. A significant improvement means the bot has a performance (ratio) of 0.75; or is in the top 75% of bots in terms of performance, or is close to reaching this goal.

5. At the end of the two months, the bot must have fulfilled all the conditions to stay on the BOTS platform. BOTS reserves the right to extend the period by an additional 30 days, if the strategy/bot had a significant improvement but has not met the conditions listed above.

In some circumstances, a bot might have improved but still needs some time in order to have a performance ratio greater than(>) 0,75. If BOTS determines that that applies to the bot, it can extend the period to give the Bot Creator additional time.

BOTS reserves the right to amend this Policy at any time. BOTS will inform you in case of any material changes.