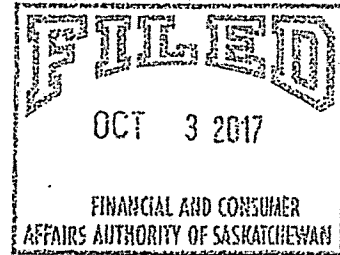


In the Matter of
The Securities Act, 1988

and

In the Matter of
Ouroboros Derivatives Trading Ltd.
anyoption
and
copyop



SETTLEMENT AGREEMENT

WHEREAS the Director of the Securities Division (the Director) of Financial and Consumer Affairs Authority of Saskatchewan (the Authority) issued a Statement of Allegations of Staff of the Authority, dated June 14, 2016 (the Statement of Allegations), with the Authority, in which it was alleged that Ouroboros Derivatives Trading Ltd., anyoption and copyop (the Respondents) engaged in specified activities that were contrary to the public interest and in contravention of *The Securities Act, 1988* (the Act);

AND WHEREAS the Respondents and the Director desire to dispose of the allegations against the Respondents, as contained in the Statement of Allegations, by way of agreement, as permitted by section 135.3 of the Act;

AND WHEREAS the Respondents and the Director acknowledge that this Settlement Agreement is subject to the approval of the Authority and, if approved by the Authority, will be published on the Authority's website;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Respondents and the Director hereby agree as follows:

1. The following facts are admitted by the Respondents:
 - a. Ouroboros Derivatives Trading Ltd. is a corporate entity registered and licensed as an Investment Firm with the Cyprus Securities and Exchange Commission. It operates under the names "anyoption" and "copyop".
 - b. From in or around January 2015 and continuing to date, the Respondents maintained websites at www.anyoption.com (the "anyoption Website") and www.copyop.com (the "copyop Website"). These websites offered users online trading platforms for binary options.

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- c. On or about September 2, 2015, the anyoption Website displayed the following text:

What are Binary options?

Binary options are a financial investment vehicle that enable investors to profit from the price fluctuations of stock market traded underlying assets.

Binary options get their name because the payoff is either all or nothing, meaning that an investor predicts correctly and receives up to 80% profit. If predicted incorrectly, the investor will lose their initial investment. At anyoption, you'll still receive a refund of party of your investment (up to 25%).

Binary options trading differs from traditional trading in that investors don't actually buy, and own physical stock, but rather speculate on the price of an asset – if its price will rise or fall within a certain time frame. Unlike, traditional trading binary options trades are fast, usually lasting between 5 and 10 minutes, which means investors don't have to wait to see a return on their investment.

- d. On or about September 3, 2015, the copyop Website displayed the following text:

Watch. Copy. Trade.

Socialize & copy the best traders in the world.

copyop is the most innovative social trading platform, making binary options trading easier and more fun!

Simply see what the world's most successful traders do at any moment and copy their trades.

Watch

Follow the greatest traders and get alerts each time they trade.

Copy

Copy the most successful binary options traders at the click of a button!

Trade

Let the pro's trade for you, or trade on your own and others can copy you.

- e. None of the Respondents have ever been registered as a 'dealer' or 'adviser' in Saskatchewan.

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- f. From in or around January 2015 to in or around October 2015, there were approximately 92 individuals in the area of Saskatchewan who had opened trading accounts with the Respondents.
 - g. Until October 31, 2015, residents of Saskatchewan could access the anyoption Website and the copyop Website. From November 1, 2015, access to the anyoption Website and the copyop Website by Saskatchewan investors has been blocked by, without limitation:
 - a. blocking access to the anyoption Website and the copyop Website for all users with an IP address from Saskatchewan and all investors who declare that they live in Saskatchewan or are acting on behalf of a person who lives in Saskatchewan; or
 - b. indicating on the anyoption Website and the copyop Website that the services offered by those websites are not offered to clients living in Saskatchewan.
 - h. No Saskatchewan investors currently have open accounts or funds on deposit with the anyoption Website or on the copyop Website.
 - i. The Director has received no complaints of financial loss in relation to the Respondents, nor has an investigation by the Director's staff revealed any financial loss in relation to the Respondents, the anyoption Website or the copyop Website.
2. The Respondents agree that all of the facts set out in paragraph 1 above are true and that to the best of their knowledge, information and belief, there are no material facts related to these matters that are not set out in paragraph 1 above.
3. The Respondents hereby waive their right to a hearing in these matters as well as their right to any appeal with respect to these matters, except for any hearing (or subsequent appeal) seeking an order for financial compensation pursuant to section 135.6 of the Act.
4. The Respondents and the Director hereby consent to the issuance of an order by the Authority, in substantially the form attached hereto as Appendix "A", ordering that:
- a. the Respondents shall not trade in any securities or derivatives in Saskatchewan without first becoming registered as dealers under the Act;
 - b. the Respondents shall not give advice respecting securities or derivatives in Saskatchewan without first becoming registered as advisers under the Act;
 - c. the Respondents shall continue to block access to the anyoption Website and the copyop Website by blocking access to all users with an IP address in Saskatchewan, all users who declare that they live in Saskatchewan or are acting on behalf of a person who lives in Saskatchewan, and by indicating on the

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websites that the services offered by the websites are not available to clients living in Saskatchewan; and

- d. the Respondents shall pay an administrative penalty of \$20,000.
5. Based upon the facts contained herein, the Director hereby agrees that the sanctions set out in paragraph 4, above, are the only sanctions the Director will seek to have the Authority impose upon the Respondents with respect to the matters set out in paragraph 1 herein and the Statement of Allegations, provided that nothing shall prohibit the Director from considering or dealing with any matter not set out herein or in the Statement of Allegations, or any new information or complaint brought to the Director's attention against the Respondents, or any of them.
6. Nothing in this Settlement Agreement shall prohibit any claimant from applying for financial compensation, pursuant to section 135.6 of the Act, nor shall it prohibit the Director from requesting that the Authority make an order that a claimant be paid compensation for financial loss.
7. The terms of this Settlement Agreement shall be treated as confidential by the Respondents and the Director until approved by the Authority, and may not be disclosed to any person except with the consent of the Respondents and the Director, or as required by law, until such time as it is signed by all parties and approved by the Authority.
8. If this Settlement Agreement is not approved by the Authority, this Settlement Agreement and all discussions and negotiations between the Director and the Respondents will be without prejudice and the Director and the Respondents will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Statement of Allegations.
9. The Respondents hereby affirm that they have read and understood the terms of this Settlement Agreement, and are signing it voluntarily.
10. The Respondents are aware that this Settlement Agreement may form the basis for parallel orders in other jurisdictions in Canada, and that the securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents.
11. This Settlement Agreement may be signed in one or more counterparts, which together shall constitute a binding agreement.
12. An electronic copy of any signature shall be effective as an original signature.
13. This Settlement Agreement shall be governed by and construed in accordance with the laws of the province of Saskatchewan.
14. The Respondents hereby acknowledges that they have been given a reasonable

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