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Two New Bailey
6 Stanley Street
Salford, Manchester
M3 5GX, England

Tel: +44 161 884 1046
eversheds-sutherland.com

Legal Opinion for Agents and Partners

PRIVILEGED AND CONFIDENTIAL

Date: August 26, 2026

To: The Board of Directors, Skip Trading

From: Carl Allen**,** Partner & Solicitor

Eversheds Sutherland LLP

Legal Opinion on the Classification of Skip Trading as a Skill Game under UK and European Law

1. INSTRUCTIONS AND SCOPE

We have been instructed by Skip Trading, a platform operated under the authority of Amerry Services Ltd., to provide a professional legal opinion regarding the classification of its business model. Specifically, we have been asked to confirm whether the Skip Trading platform constitutes "gambling" or should be correctly classified as a skill game under the laws of the United Kingdom and the relevant principles of European Union law.

This opinion is provided based on the information provided to us concerning the nature and mechanics of the Skip Trading game, as described in the Request for Proposal and on the company's website. It is intended to clarify the regulatory status of the platform for the benefit of the company, its agents, and its potential commercial partners. This opinion is supplementary to our previous opinion which confirmed that Skip Trading does not require authorisation from the Financial Conduct Authority under the Financial Services and Markets Act 2000.

2. FACTUAL BACKGROUND AND OPERATIONAL OVERVIEW

Our analysis is predicated on the following understanding of the Skip Trading platform:

The Skip Trading game presents users with scenarios based on historical financial market data. The gameplay is structured around a simple and transparent premise: players are shown a chart with two predefined horizontal lines and must predict which line will be broken first within a given timeframe. The outcome is entirely determined by pre-existing, unalterable historical data.

The platform tests a range of cognitive skills, including chart-reading ability, pattern recognition, analytical reasoning, and decision-making under time constraints. Critically, the outcome of a round does not depend on the random roll of a dice, the draw of a card, or any element of chance. All relevant information required to make a decision is presented to the player. Success is dependent on the player's ability to analyze information and make a strategic prediction based on that analysis. The platform is explicitly not a financial trading service, as no real financial instruments are bought or sold.

3. LEGAL ANALYSIS AND CLASSIFICATION

3.1. The Applicable UK Legal Framework: The Gambling Act 2005

The primary legislation governing gambling in the United Kingdom is the **Gambling Act 2005**. The Act is the foundational document for determining whether an activity falls within the regulatory perimeter of the UK Gambling Commission.

Section 6 of the Act defines "gaming" as "playing a game of chance for a prize" .

The critical legal question is whether the Skip Trading game constitutes a "game of chance" as defined by the Act. Section 6(2) of the Gambling Act 2005 states that a "game of chance" includes:

- (i) a game that involves both an element of chance and an element of skill;
- (ii) a game that involves an element of chance that can be eliminated by superlative skill; and
- (iii) a game that is presented as involving an element of chance, but does not include a sport. .

3.2. The "Predominance Test" and English Case Law

The statutory definition in the Gambling Act 2005 is broad and does not, on its face, provide a clear threshold for differentiating between a game of chance and a game of skill. However, English courts have developed a practical test known as the **"predominance test"** to interpret this provision.

This test asks: **Is chance the predominant or determining element in the outcome of the game, or does skill predominate?** A game is considered a game of chance if the element of chance is the dominating factor in determining the outcome. If skill is the dominant factor, the game falls outside the definition of a "game of chance" and is therefore not "gaming" under the Act. The Court of Appeal has upheld this view, clarifying that games which are predominantly games of skill are not to be considered games of chance.

While certain games like poker have been determined by juries to be games of chance due to the predominance of the random dealing of cards, this is not a universal classification. The test is applied to the specific mechanics of each game.

3.3. Application of the "Predominance Test" to Skip Trading

Applying the predominance test to Skip Trading yields the following conclusions:

1. **Absence of a Random Event:** The primary determinant of a game's classification is whether its outcome is settled by chance. In the Skip Trading game, there is no randomising event.
2. **Skill as the Determining Factor:** A player's success is directly correlated to their ability to analyse a set of predefined data (a historical chart) and correctly predict the outcome based on that analysis. The success or failure of a prediction is determined by the player's skill in reading the chart.
3. **Predefined Outcome:** The outcome of the round (which line breaks first) is not determined in real-time. It is a fixed event that has already occurred in history. The game presents a known, yet unseen by the player, historical event. The player is not playing against a random computer algorithm but is, in effect, attempting to use their analytical skill to "predict" a known past event.
4. **Unbiased and Consistent Data:** The platform uses historical market data that is transparent, unalterable, and applied consistently to all players. This ensures all players are presented with the same conditions and compete on a level playing field determined by their skill.

3.4. Consistency with European Union Law and International Standards

The distinction between gambling and skill-based games is recognized throughout the European Union. The European Court of Justice has often deferred to national definitions but has emphasized the importance of protecting consumers and preventing fraud. The classification as a skill game has significant implications, as it often places the activity outside the scope of strict gambling licensing regimes.

Furthermore, internationally recognized classification systems support this distinction. The United Nations Central Product Classification (UN CPC) categorises "online games" (Entry

84391) and “online gambling” (Entry 96921) as mutually exclusive categories, with online games explicitly excluding any form of gambling. This supports the view that the two are seen as separate and distinct activities by policymakers and regulators.

4. SPECIFIC EXCLUSIONS AND CONCLUSION

Based on the legal analysis and the facts provided, it is our professional opinion that:

1. **The Skip Trading game is not “gaming” as defined by Section 6 of the Gambling Act 2005.** The platform's activities do not constitute playing a "game of chance." While the game involves an element of chance inherent in market movements, this chance element is not the determining factor of the outcome, as it is pre-recorded and not generated by a random process as part of the game itself. The player’s skill is the predominant factor in achieving a successful outcome, satisfying the predominance test established by English case law.

2. **The Skip Trading platform is correctly classified as a skill game.** The structure, mechanics, and objective of the game are designed to test and reward a player's analytical and decision-making skills. The absence of any live, random, or chance-based event determining the outcome reinforces this classification.

3. **Classification as a skill game does not require a licence under the Gambling Act 2005.** The legal framework for gambling in the UK is not applicable to the activities of the Skip Trading platform. This opinion is consistent with our previous finding that the platform does not constitute a financial service.

This opinion is rendered for the sole purpose of providing a legal analysis of the Skip Trading platform's classification under UK and EU gambling laws. It is based on the information available to us at the time of writing for formal regulatory guidance. We trust this opinion meets your requirements.

Yours sincerely,

Carl Allen
Partner & Solicitor
Eversheds Sutherland LLP
Two New Bailey
6 Stanley Street
Salford, Manchester M3 5GX, England