RISK DISCLOSURE POLICY

Version 1 – April 2024

TABLE OF CONTENTS

1. INTRODUCTION

This is the "Risk Disclosure and Warnings Notice" Policy (hereafter referred to as the "**Policy**") of Axon Securities S.A. (hereinafter referred to as " **Axon**" and/or the "**Company**" and/or "**we**") a company incorporated in Greece with registration number 000708201000, authorized and regulated by the Hellenic Capital Market Commission (hereinafter referred to as "**HCMC**") as a Greek Investment Firm with License Number: 32/315/26.10.2004 to offer certain investment and ancillary services subject to the provision of the Law 3606/2007 regarding the provision of Investment Services, the Exercise of Investment Activities and Operation Regulated Markets, Article 9 of Law 3606/2007.

The Company's registered address is at 48 Stadiou Street, 105 64 Athens, Greece.

NAGA.eu is the Company's domain/website, which is owned by Naga Technology GmbH, however, is independently and exclusively operated by Axon Securities S.A.

NAGA is a trade name and trademark under the NAGA Group AG, a German based FinTech company publicly listed on the Frankfurt Stock Exchange. Exclusive rights for the use of the said trade name and trademark, in the territory of Greece, are exclusively granted to Axon Securities S.A.

The present Policy is provided to all Clients and prospective Clients in accordance with the provision of Investment Services, Law 3606/2007. All Clients and prospective Clients should carefully read the following risk disclosure and warnings contained in this document, before applying to the Company for a trading account and before they begin to trade with the Company. It provides a general description of the nature and risks associated with the financial instruments provided by the Company. This document does not explain all the risks involved in trading Contracts for Difference (hereafter referred to as "**CFDs**") or how such risks relate to each client's personal circumstances. CFDs trading involves risk to invested capital. The Company highly recommends not investing funds that each client cannot afford to lose.

If you are in any doubt about the risks involved, you should seek professional advice.

In consideration of the Company agreeing to enter into a business relationship, the Client hereby acknowledges, understands and agrees with the risks and warnings included in this document and warrants that they are willing and able, financially, or otherwise, to undertake the risk of incurring losses and damages when trading in the financial instruments offered by the Company. Client ensures that they understand that trading in CFDs is highly speculative and is categorized as high-risk investments due to their derivative nature and no guaranteed return.

The Company provides the below Investment services and Ancillary services to the Client in accordance with the Company's license from HCMC:

1. Reception and transmission of orders in relation to one or more financial instruments;
2. Execution of order on behalf of clients;
3. Placing of financial instruments without a firm commitment basis;
4. Safekeeping and administration of financial instruments, including custodianship and related services;
5. Foreign exchange services where these are connected to the provision of investment services;
6. Services related to underwriting.

For the purposes of this Notice, CFDs, Transferable Securities and EFTs may be referred to jointly as 'Financial Instruments'. However, the risks the Client may be exposed to vary, depending on the types of Financial Instruments they invest in.

In addition, all Clients and prospective Clients can refer to the Key Information Document (hereafter "**KID**"), which provides you with key information about Company's investment products, available here. This information is required by the legal framework to help you understand the nature, costs, risks, and rewards of this product and to help you compare it with other products.

2. PRODUCT MARKET ASSESSMENT

Following the implementation of the Provision of Investment Services Law 3606/2007, the Company is required to identify its target market and the Company shall provide its services to Clients which fall within its target market assessment.

3. CHARGES AND TAXES

The Provision of Services by the Company to its Clients is subject to fees and charges, which are available in the Costs and Charges Policy here. Before Clients enter into a trading relationship with the Company, they should obtain details of all fees, commissions, charges for which the Clients will be liable. **It is the Client's responsibility to check for any changes in the abovementioned charges**.

If any charges are not expressed in monetary terms (but, for example, as a percentage of contract value), the Client should ensure that he/she understands what such charges are likely to amount. The Company may change its charges at any time.

There is a risk that the Client's trades in any Financial Instruments may be or become subject to tax and/or any other duty for example because of changes in legislation or his personal circumstances. The Company does not warrant that any tax and/or any other stamp duty will be payable. The Company does not offer tax advice and recommends the Client to seek advice from a competent tax professional if the Client has any questions. The Client is responsible for any taxes and/or any other duty which may accrue in respect of his trades. It is noted that taxes are subject to change without notice. If required by applicable Law, the Company shall deduct at source from any payments due to the Client such amounts as are required by the tax authorities to be deducted in accordance with applicable Law.

It is possible that other costs, including taxes, relating to Clients' transactions in Financial Instruments carried out on the Trading Platform to arise, for which the Financial Instruments carried out on the Trading Platform to arise, for which the Client is liable, and which are neither paid via us nor imposed by the Company. Although it is the Client's sole and entire responsibility to account for tax due and without derogating from this, the Client agrees that the Company may deduct tax, as may be required by the applicable law, with respect to his trading activity on the Trading Platform. The Client is aware that the Company has a right set-off against any amounts in the Client's Trading Account with respect to such tax deductions.

It is also noted that the Company's prices in relation to CFD trading are set/quoted in accordance with the Company's Best Interest and Order Execution Policy which is available on the Company's website. It is noted that it may be different from prices reported elsewhere. The prices displayed on the Company's Trading Platform reflects the last known available price at the moment, prior to placing any Order, however, the actual execution price of the Order may differ, in accordance with the Company's Best Interest and Order Execution Policy and Client Agreement. As such, the price that the Client receives when he opens or closes position may not directly correspond to real time market levels at the point in time at which the sale of CFD occurs or reflect the prices of third-party brokers/providers.

All prices quoted by the Company in relation to Securities and ETFs are provided by EXT Ltd and are indicative of the market price at which the Clients' Orders will be executed. Clients' orders on Securities and ETFs will be received by the Company and transmitted for execution to a third-party Execution Broker, EXT Ltd. Consequently, the Client runs the risk of the price at which their order on a Security/ETFs is executed, deviates significantly from the required/expected price quoted by the Company.

Moreover, regulatory changes could give rise to unexpected and material price adjustments that could impact the Client's potential profits or losses. This may apply for certain jurisdictions more than others, it may affect the Client's investment in certain securities more than others.

4. THIRD PARTY RISK

The Company may place the money received from the Client into one or more segregated account(s) (denoted as 'clients accounts') with reliable financial institutions (within or outside Greece or the EEA) such as credit institution or a bank authorized in a third country. Although the Company shall exercise due skill, care, and diligence in the selection of the financial institution according to Applicable Regulations, it is understood that there are circumstances beyond the control of the Company and hence the Company does not accept any liability or responsibility for any resulting losses to the Client as a result of insolvency or any other analogous proceedings or failure of the financial institution where the Client's money will be held.

It is understood that the legal and regulatory regime applying to any such financial institution outside Greece or EEA will be different from that of Greece. Hence, in the event of the insolvency or any other equivalent failure or proceeding of that person, the Client's money may be treated differently from the treatment which would apply if the money was held in a Segregated Account in Greece.

The financial institution to which the Company will transfer Client money, may hold it in an omnibus account. Hence, in the event of the insolvency or any other analogous proceedings in relation to that financial institution, the Company may only have an unsecured claim against the financial institution on behalf of the Client, and the Client understands that he/she will be exposed to the risk that the money received by the Company from a financial institution is insufficient to satisfy the Client's claim(s). The Company does not accept any liability or responsibility for any resulting losses.

The Company places order for execution to a third-party Execution Venue i.e., the Company is not the Execution Venue for the execution of the Client's Orders. The Company transmits

Client Orders or arranges for their execution with a third party/(ies) known as Straight Through Process (STP and is explained in the "Summary Best Interest and Order Execution Policy" found here). In the event of a lack of Liquidity Provider after a successful Order for the Client, the Company will not be in a position to settle the transaction for the client (i.e. pay the Client the Difference of his successful trade).

With respect to trading on Securities and ETFs, these shall be purchased and held by the Company in an account under the Company's name, on behalf of the Client.

The Client's Securities and ETFs will be pooled together with other Clients' Securities and ETFs in the account under the Company's name, with its third-party Execution Broker. It may not be possible to separate one Client's Securities and ETFs from those of other Clients. Hence, in a Corporate Event, that causes changes to one or more financial instruments (e.g. share consolidations, share splits, re-organizations, merges, take-over offers (and similar), name changes and rebranding, dividends distributions, insolvency, delistings and changes to applicable Law or regulation) the Company will use reasonable endeavors to make the necessary adjustments in Clients' accounts in a way that is fair and aligns with market practice. However, the Company may be required to close out open positions impacted by Corporate Event. When Corporate Events (such as partial redemptions) affect some but not all of the investments held in the account under the Company's name, the Company may allocate the investments so affected to particular clients in such fair and equitable manner as the Company considers appropriate (which may without limitation involve pro-rata allocation).

5. INSOLVENCY AND INVESTOR COMPENSATION FUND

The Company's insolvency or default or third-party Execution Broker's insolvency of default, may lead to positions being liquidated or closed out without the Client's consent. The third Execution Broker's liquidation or default, Clients' orders in Financial Instruments may be transferred to another broker.

In relation to trading in Securities and ETFs, and more specifically in shares of listed entities, the Client runs the risk of insolvency of the specific listed entity, which may drastically reduce the value of the Client's investment. The Client may potentially lose their entire capital invested.

The Company participates in the Investor Compensation Fund for clients of Investment Firms regulated in the Republic of Greece. Certain clients will be entitled to compensation under the Investor Compensation Fund where the Company is unable to meet its obligations towards its clients due to its financial circumstances and when there is no realistic prospect of improvement in the above circumstances in the near future. In any case, the compensation shall not exceed Thirty Thousand Euro (EUR 30.000) per each entitled client. For more details, please refer to the "Investor Compensation Policy", here.

6. TECHNICAL RISKS

The Client and not the Company shall be responsible for the risks of financial losses caused by failure, malfunction, interruption, disconnection or malicious actions of information, communication, electricity, electronic or other systems, which are not the result of gross negligence or willful default of the Company.

If the Client undertakes transactions on an electronic system, he will be exposed to risks associated with the system including the failure or hardware, software, servers, communication lines and internet failure. The result of any such failure may be that his order is either not executed according to his instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure, not owed to the Company's gross negligence or willful default. The Company strives on a best effort basis to provide the Client with a secure and smooth online experience. However, the Client acknowledges the risk that should third parties (hackers) launch a coordinated attack against the Company systems that there may be a disruption of services that may result in Client losses. The Company does not accept any liability resulting from such attacks to the extent that the Company has taken all reasonable measures on a best effort basis to fend off such malicious actions.

The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from any unauthorized access.

At times of excessive deal flow, the Client may have some difficulties to be connected over the phone or the Company's Platform(s)/system(s), especially in fast Market (for example, when key macroeconomic indicators are released).

The Clients acknowledge that the internet may be subject to events which may affect their access to the Company's Website and/or trading Platform(s)/system(s), including but not limited to interruptions or transmission blackouts, software and hardware failure, internet disconnection, public electricity network failures or hacker attacks. The Company is not responsible for any damages or losses resulting from such events which are beyond its control or for any other losses, costs, liabilities, or expenses (including, without limitation, loss of profit) which may result from the Client's inability to access its website and/or Trading System or delay or failure in sending orders or Transactions, not owed to the Company's gross negligence or willful default.

In connection with the use of computer equipment and data and voice communication networks, the Client bears the following risks amongst other risks in which cases the Company has no liability of any resulting loss:

- Power cut of the equipment on the side of the Client or the provider, or communication operator (including voice communication) that serves the Client;
- Physical damage (or destruction) of the communication channels used to link the Client and provider (communication operator), provider, and the trading or information server of the Client;
- Outage (unacceptably low quality) of communication via the channels used by the Client, or the Company or the channels used by the provider, or communication

operator (including voice communication) that are used by the Client or the Company;

- Wrong or inconsistent requirement settings of the Client's Terminal;
- Untimely update of the Client's Terminal;
- When carrying out transactions via the telephone (land or cell phone lines) voice communication, the Client runs the risk of problematic dialling, when trying to reach the Company due to communication quality issues and communication channel loads;
- The use of communication channels, hardware and software, generate the risk of non-reception of a message (including text messages) by the Client from the Company;
- Malfunction or non-operability of the Platform, which also includes the Client's Terminal.

The Client may suffer financial losses cause by the materialization of the above risks, the Company accepting no responsibility or liability in the case of such a risk materializing and the Client shall be responsible for all related losses he may suffer, to the extent that these are not owed to the Company's gross negligence or willful default.

7. TRADING PLATFORM RISK

The Client is warned that when trading in an electronic platform he assumes risk of financial loss which may be a consequence of amongst other things:

- Failure of Client's devices, software and poor quality of connection;
- The Company's or Client's hardware or software failure, malfunction or misuse;
- Improper work of Client's equipment;
- Wrong setting of Client's Terminal;
- Delayed updates of Client's Terminal.

The Client acknowledges that the only one Instruction is allowed to be in the queue at one time. Once the Client has sent an Instruction, any further Instructions sent by the Client are ignored and the "orders is locked" message appears until the first Instruction is executed.

It is understood that the connection between the Client Terminal and the Company's Server may be disrupted at some point and some of the Quotes may not reach the Client Terminal.

The Client acknowledges that when he/she closes the order placing/ deleting window or the position opening/closing window, the instruction, which has been sent to the Server, shall not be cancelled.

Orders may be executed once at a time while being in the queue. Multiple orders from the same Client Account at the same time may not be executed.

The Client acknowledges that when he/she closes the Order, it shall not be cancelled.

In case the Client has not received the result of the execution of the previously sent Order but decides to repeat the Order, the Client shall accept the risk of making two Transactions instead of one.

The Client acknowledges that if the Pending Order has already been executed but the Client sends an instruction to modify its level, the only instruction, which will be executed, is the instruction to modify Stop Loss and/or Take Profit levels on the position opened when the Pending Order is triggered.

8. COMMUNICATION BETWEEN THE CLIENT AND THE COMPANY

The Client shall accept the risk of any financial losses caused by the fact that the Client has received with delay or has not received at all any notice from the Company.

The Client acknowledges that the unencrypted information transmitted by e-mail is not protected from any unauthorized access.

The Company has no responsibility if unauthorized third persons have access to information, including electronic addresses, electronic communication and personal data, access data when the above are transmitted between the Company and the Client or when using the internet or other network communication facilities, telephone, or any other electronic means.

The Client is fully responsible for the risks in respect of undeliverable Company Online Trading System internal e-mail messages sent to the Client by the Company as they are automatically deleted within 3 (three) calendar days.

9. FORCE MAJEURE EVENT

In case of a Force Majeure Event the Company may not be in a position to arrange for the execution of Client Orders or fulfil its obligations under the agreement with the Client found at Terms and Conditions here. As a result, the Client may suffer financial loss.

The Company will not be liable or have any responsibility for any type of loss or damage arising out of any failure, interruption, or delay in performing its obligations under this Agreement where such failure, interruption or delay is due to a Force Majeure event.

10. ABNORMAL MARKET CONDITIONS

The Client acknowledges that under Abnormal Market Conditions the period during which the Orders are executed may be extended or it may be impossible for Orders to be executed at declared prices or may not be executed at all.

Abnormal Market Conditions include but not limited to times of rapid price fluctuations of the price, rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or there is lack of liquidity, or this may occur at the opening of trading sessions.

11. PROTECTION RIGHTS

When a Financial Instrument is traded in a currency other than the currency of the Client's country of residence, any changes in the exchange rates may have a negative effect on its value, price and performance and may lead to losses for the Client.

12. CONFLICT OF INTEREST

When the Company deals with the Client, the Company, an associate, a relevant person or some other person connected with the Company may have an interest, relationship or arrangement that is material in relation to the Transaction/Order concerned or that it conflicts with the Client's interest.

The following includes the major circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as a result of providing investment services:

a) the Company's bonus scheme may award its employees based on the trading volume etc.;
b) the Company may receive or pay inducements to or from third parties due to the referral of new Clients or Clients' trading.

For more information about the conflicts of interest and the procedures and controls that the Company follows to manage the identified conflicts of interest, please refer to the Company's Summary Conflicts of Interest Policy found on the Company's website at Conflict of interest Policy.

13. APPROPRIATENESS

The Company requires the Client to pass through an appropriateness test during the application process and warns the Client if trading in Financial Instruments is not appropriate for him, based on the information provided. Any decision whether or not to open a Trading Account, and or whether or not you understand the risks lies with you.

Unlike CFDs, Securities and more particularly shares of listed entities, and ETFs are considered 'non-complex' financial instruments. These are not appropriate for short-term investors. Nevertheless, as with any investment in financial instruments, the Client needs to understand the risks involved, of losing their entire investment.

14. INFORMATION ON RISKS ASSOCIATED WITH TRADING IN SECURITIES OR ETFS

The price or value of an investment in Securities and ETFs will depend on fluctuations in the financial markets. Past performance is no indicator of future performance. Investment risks in Securities include country risk, risks emanating from the specific characteristics of a Security and ETF including the location or domicile of the issuer and underwriter, nature of corporate rights that are associated with a Security etc.

Trading Securities and ETFs is only appropriate for those customers who fully understand the risks and, ideally, have previous trading experience. If unsure, it is advisable to seek independent advice.

An indicative analysis of the risks is provided below:

Liquidity risk: The liquidity of a Security is directly affected by the supply and demand for that Security and also indirectly by other factors, including market disruptions or infrastructure issues, such as a lack of sophistication or disruption in the securities settlement process. Under certain trading conditions, it may be difficult or impossible to liquidate or acquire a position. This may occur, for example, at times of rapid price movement if the price rises or falls to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to intended amounts, but market conditions may make it impossible to execute such an order at the stipulated price.

The liquidity of ETFs is determined through the interplay of share creation and redemption, market-making and secondary market trading, including trading and hedging activity in related markets. Disruptions to ETF liquidity could arise through a trading halt in an underlying security. Additionally, market conditions (e.g. extreme volatility), could increase the costs for providing liquidity. As such, increase of bid-ask spreads and increase of the cost for clients to exit the market.

Credit Risk: The risk that the issuer or guarantor of a Security is not able, usually for financial reasons, to repay principal and/or interest in relation to the product or to meet its financial obligations in relation to the product, with resulting loss to the investor.

Market Risk: Market volatility may result in the price of a Security moving significantly from the time of receipt of a client order to the time of order execution. Clients should be aware that there are risks associated with volatile markets, especially at or near the open or close of the standard trading session and these risks include, but are not limited to:

- Execution at a substantially different price from the last reported price at the time of Order entry, as well as partial executions or execution of large orders in several transactions at different prices;
- Delays in executing orders for Securities that our Execution Broker must send to exchanges and/or manually routed or manually executed orders;
- Opening prices that may differ substantially from the previous day's close;
- Locked (the Bid equals the Ask) and crossed (the Bid is higher than the Ask) markets, which may prevent the execution of Client orders;

Market volatility may result in the price of an ETF moving significantly from the time of receipt of a client order to the time of order execution. The value of an ETF and thus the portfolio that holds an ETF may fluctuate with the value of the underlying securities. As such, ETF prices can be volatile. The overall market may fall, or the ETFs the client may choose to invest in may perform undesirably. The company notes that past performance is no indication of future performance.

Price volatility: is one factor that can affect order execution. When there is a high volume of Orders in the market, order imbalances and backlogs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors:

a. the number and size of orders to be processed;
b. the speed at which current quotations (or last-sale information) are provided to the Execution Broker and other brokerage firms; and
c. the system capacity constraints applicable to the given exchange, as well as to the Execution Broker and other firms.

Currency Risk: Where the Securities the Client chooses to trade in are denominated in currencies other than the default currency of the Client/s Account (e.g. EUR), fluctuations in foreign exchange rates may impact the Client's potential profits and losses.

Operational Risk: Operational risk, such as breakdowns or malfunctioning of essential systems and controls, including IT systems, can have an impact on the Client's trading.

Business risk: risks relating to the business performance of entities the Client chooses to invest in by trading in certain Securities or ETFs, which include the businesses of such entities being run poorly; it is noted that corporate decisions affecting a business' personnel, organization, operations et al. can have a serious impact on the value of the Client's investment.

Voting Rights: Clients may not have voting rights for any of the Securities they invest in, (these include voting rights with respect to corporate actions such as tender offers, rights offerings etc.). Furthermore, the Client may not have the opportunity to exercise any voting rights attached to the Securities and ETFs they invest in.

<u>Dividends:</u> The payment of dividends by a company is not guaranteed. Furthermore, in case of stock dividends (i.e. dividends paid in stock rather than cash), dividends might be received either in the form of shares or in the cash equivalent. of the value to the number of Shares to which the position will be entitled. Additionally, Clients' Securities and ETFs might be subject to corporate actions such as stock splits.

15. INFORMATION ON RISKS ASSOCIATED EXCLUSIVELY WITH TRADING IN ETFS

<u>Index Risk:</u> ETFs are designed to match an index and are usually passive investments. Since ETFs are not actively managed, they will not sell an underlying product if the underlying product's issuer is in financial trouble, unless the said product is removed from the index. This means that the ETF's price will move in accordance with the index. As such, the performance of the ETF investment is dependent on the performance of the index.

<u>Counterparty Risk:</u> ETFs do not always hold the physical assets. If the provider fails, the ETF will lose part or all of the money it has invested. Physical ETFs that lend securities from their portfolios also expose their investors to counterparty risk. In this case, investors might suffer losses if a borrower defaults on its obligations.

<u>Tracking Error Risk:</u> Tracking error represents the difference between the performance, or return, of the ETF's portfolio and the underlying index. Tracking error occurs for a number of reasons. The main is that an ETF has expenses that an index does not have, because it incurs costs when it buys and sells securities. The frequency of these transactions, such as how often an ETF rebalances its portfolio, can increase the costs that increase tracking error and diminish an ETF's performance.

The Company notes that the above list is not exhaustive, but it contains some of the main risks the Clients may be exposed to.

16. INFORMATION ON RISKS WITH COMPLEX FINANCIAL INSTRUMENT OVER THE COUNTER (OTC)

Trading CFDs can put Client's capital at risk as CFDs are categorized as high risk complex Financial Instruments and Clients may lose more than the capital/margin used to open one position, such losses may extend to the loss of the Client's entire deposited amount held by the Company. Trading CFDs may not be suitable for all investors (Refer to section 13).
The investment decisions made by the Clients are subject to various markets, currencies, economic, political or business risks etc., and will not necessarily be profitable.

The Client acknowledges and without any reservation accepts that, notwithstanding any general information which may have been given by the Company, the value of any investment in Financial Instruments may fluctuate either upwards or downwards. The Client acknowledges and without any reservation accepts the existence of a substantial risk of incurring losses and damages as a result of buying or selling any Financial Instrument and acknowledges his willingness to take such risk.

Set out below is an outline of the major risks and other significant aspects of CFDs trading:

a. Trading in CFD is VERY SPECULATIVE AND HIGHLY RISKY and is not suitable for all members of the general public but only for those investors who:
   i. understand and are willing to assume the economic, legal and other risks involved;
   ii. taking into account their personal financial circumstances, financial resources, lifestyle and obligations are financially able to assume the loss of their entire investment;
   iii. have the knowledge to understand CFDs trading and the Underlying assets and Markets.

b. The Company will not provide the Client with any advice relating to CFDs the Underlying Assets and Markets or make investment recommendations including occasions where the Client shall request such advice and/or recommendation. However, the Company may provide the Client with information and tools produced by third parties on an "as is" basis (i.e. the Company does not approve, or endorse, or affect the said information and or tools), which may be indicative of trading trends or trading opportunities. The Client accepts and understands that taking any actions based on the information and/or tools provided by third parties may result in losses and/or general reduction of the value of the Client's assets. The Company does not accept liability for any such losses resulting from actions taken by the Client on the basis of information and or tools produced by third parties.

c. CFDs are derivative financial instruments deriving their value from the prices of the underlying assets/markets in which they refer to (for example currency, equity indices, stocks, metals, indices futures, forwards etc.). It is important therefore that the Client understands the risks associated with trading in the relevant underlying asset/ market because fluctuations in the price of the underlying asset/ market will affect the profitability of his trade. For more information regarding the Company's pricing policy, please refer to the Company's Summary Best Interest and Order Execution Policy found at Best Interest and Order Execution here.

d. Information on the previous performance of CFDs the Underlying Assets and Markets does not guarantee its current and/or future performance. The use of historical data does not constitute a binding or safe forecast as to the corresponding future performance of the CFDs to which the said information refers.

e. Volatility:

Some Financial Instruments trade within wide intraday ranges with volatile price movements. Therefore, the Client must carefully consider that there is a high risk of losses. The price of a Financial Instrument is derived from the price of the Underlying Asset in which the Financial Instruments refers to. Financial Instruments and related Underlying Markets can be highly volatile. The prices of Financial Instruments and the Underlying Asset may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Client or the Company. Under certain market conditions it may be impossible for a Client Order to be executed at declared prices leading to losses. The prices of Financial Instruments and the Underlying Assets will be influenced by, among other things, changing the supply and demand relationships, governmental, agricultural, commercial and trade programs and policies, national and international political and economic events and the prevailing psychological characteristics of the relevant marketplace.

f. Liquidity:

Liquidity risk refers to the capacity to readily monetize assets without suffering a significant discount in their prices. The Client accepts and acknowledges that the Underlying Instruments on some Derivative Products on offer by the Company may be inherently illiquid or sometimes face persistent liquidity strains due to adverse market conditions. Illiquid Underlying Assets may exhibit high levels of volatility in their prices and consequently a higher degree of risk, this typically leads to larger gaps in ASK and BID prices for an Underlying Instrument than would otherwise prevail under liquid market conditions. These large gaps may be reflected on the prices of the Derivative Product that the Company offers.

g. Off-exchange transactions in Derivative Financial Instruments:

CFDs offered by the Company are off-exchange transactions (i.e. over-the-counter). The trading conditions are set by us (in line with the trading conditions received by our liquidity providers), subject to any obligations we have to provide the best execution, to act reasonably and in accordance with our Client Agreement and with our Best Interest and Order Execution Policy. Each CFD trade that the Client opens through our Trading Platform results in the entering of an Order with the Company; such Orders can only be closed with the Company and are not transferable to any other person.

While some off-exchange markets are highly liquid, transactions in off-exchange or non-transferable derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an Open Position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what a fair price is.

The Company is using an Online Trading System for transactions in CFDs which does not fall into the definition of a Regulated Market or Multilateral Trading Facility and as such does not have the same protection.

h. No Clearing House protection:

The Transactions in the Financial Instruments offered by the Company are not currently subject to exchange or clearing house requirements /obligations.

i. No Delivery:

It is understood that the Client has no rights or obligations in respect to the Underlying Assets/Instruments relating to the CFDs he is trading. There is no delivery of the Underlying Asset and all CFD contracts are settled in cash.

j. Suspensions of Trading:

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a Stop Loss will not necessarily limit the Client's losses to the intended amounts, because market conditions may make it impossible to execute such an Order at the stipulated price. In addition, under certain market conditions the execution of a Stop Loss Order may be worse than its stipulated price and the realized losses can be larger than expected.

k. Slippage:

Slippage is the difference between the expected price of a Transaction in a CFD or, and the price the Transaction is actually executed at. Slippage often occurs during periods of higher volatility (for example due to news events) making an Order at a specific price impossible to execute and also when large Orders are executed when there may not be enough interest at the desired price level to maintain the expected price of trade.

l. Leverage and Gearing:

In order to place a CFD Order, the Client is required to maintain a margin. The Margin is usually a relatively modest proportion of the overall contract value. This means that the Client will be trading using “leverage” or “gearing”. This means a relatively small market movement can lead to a proportionately much larger movement in the value of the Client’s position, and this can work either against the Client or for the Client.

At all times during which the Client opens trades, they must maintain enough equity, consider all running profits and losses, for meeting the margin requirements. If the market moves against the Client’s position and/or Margin requirements are increased, the Client may be called upon to deposit additional funds on short notice to maintain his position. Failing to comply with a request for a deposit of additional funds, may result in a closure of his position(s) by the Company on his behalf.

It is important that you monitor your positions closely because the effect of leverage and gearing speed the occurrence of profits or losses. It is your responsibility to monitor your trades and while you have open trades you should always be in a position to do so.

m. Margin:

The Client acknowledges and accepts that, regardless of any information which may be offered by the Company, the value of CFDs may fluctuate downwards or upwards and it is even probable that the investment may become of no value. This is owed to the margining system applicable to such trades, which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the Underlying Market can have a disproportionately dramatic effect on the Client’s trade. If the

Underlying Market movement is in the Client's favour, the Client may achieve a good profit, but an equally small adverse market movement may result in the loss of the Client's entire deposit.

The Company may change its Margin requirements, according to the provisions of the Client Agreement found on the Company's website at Terms and Conditions.

n. Contingent Liability Investment Transactions:

Contingent liabilities are potential obligations that may be assumed by the Client depending on the outcome of an event that was beyond any person's control and/or expectations. For example, in case whereby due to the extreme volatility of the underlying instrument the Client has sustained losses that exceeded his balance with the Company (i.e. he has generated a negative balance with the Company), the Client may be then called to pay an amount equal to these losses.

o. Risk-reducing Orders or Strategies

The Company makes available certain Orders (e.g. "stop-loss" orders, where permitted under local law, or "stop-limit" Orders), which are intended to limit losses to certain amounts. Such Orders may not be adequate given that markets conditions make it impossible to execute such Orders, e.g. due to illiquidity in the market. We aim to deal with such Orders fairly and promptly, but the time taken to fill the Order and level at which the Order is filled depends upon the underlying market. In fast-moving markets, a price for the level of your Order might not be available, or the market might move quickly and significantly away from the stop level before we fill it.

Strategies using combinations of positions, such as "spread", and "straddle"' positions may be as risky as taking simple "long" or "short" positions. Therefore, Stop Limit and Stop Loss Orders cannot guarantee the limit of loss.

p. Swap Values

If a Client holds any positions overnight then an applicable swap charge will apply. The swap values are clearly stated on the Company's website and Platform and accepted by the Client during the account registration process as they are described in the Company's Agreement.

The swap rate is mainly dependent on the level of interest rates as well as the Company's fee for having an open position overnight. The Company has the discretion to change the level of the swap rate on each CFD at any given time and the Client acknowledges that he will be informed by the Company's websites. The Client further acknowledges that he is responsible for reviewing the CFDs specifications located on the Company's websites for being updated on the level of swap value prior to placing any order with the Company.

17. ADVICE AND RECOMMENDATIONS

When placing Orders with the Company, we will not advise its clients about the merits of a particular Transaction or give any form of investment advice and the Client acknowledges that the Services do not include the provision of investment advice in any of the Financial Instruments provided by the Company. The Client alone will enter into Transactions and take the relevant decisions based on their own judgement. In asking the Company, the Clients represent that they are solely responsible for making their own independent appraisal and investigation into the risks of the Transaction. Clients represent that they have sufficient knowledge, market sophistication, professional advice, and experience to make their own evaluation of the merits and risks of any Transaction. The Company gives no warranty as to the suitability of the products traded under this Agreement and assumes no fiduciary in its relations with the Client.

The Company will not be under any duty to provide the Client with any legal, tax or other advice relating to any Transaction. The Client should seek independent expert advice if he is in any doubt as to whether he may incur any tax liabilities. The Client is hereby warned that tax laws are subject from time to time.

The Company may, from time to time and at its discretion, provides the Client (or in newsletters which it may post on its website or provide to subscribers via its website or the Trading Platform or otherwise) with information, recommendations, news, market commentary or other information but not as a service.
Where it does so:

- The Company will not be responsible for such information;
- The Company gives no representation, warranty or guarantee as to the accuracy, correctness or completeness of such information or as to the tax or legal consequences of any related Transaction;
- This information is provided solely to enable the Clients to make their own investment decisions and do not amount to investment advice or unsolicited financial recommendation;
- If the document contains a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, Clients agree that they will not pass it on to any such person or category of persons;
- Clients accept that prior to the despatch of any marketing material, the Company may have acted upon itself to make use of the information on which it is based. The Company does not make representations as to the time of receipt by the Clients and cannot guarantee that they will receive such information at the same time as other clients.

It is understood that the market commentary, news, or other information provided or made available by the Company are subject to change and may be withdrawn at any time without notice.

18. NO GUARANTEES OF PROFIT

The Company provides no guarantees of profit nor of avoiding losses when trading in

Financial Instruments. The Company cannot guarantee the future performance of the Client's Trading Account, promise any specific level of performance, or promise that the Client's investment decisions or strategies, will be successful/profitable. The Customer has received no such guarantees from the Company or from any of its representatives. The Customer is aware of the risks inherent in trading in Financial Instruments and is financially able to bear such risks and withstand any losses incurred. The Client acknowledges and accepts that there may be other additional risks apart from those mentioned above.

19. ADDITIONAL INFORMATION

For further information, please refer to the 'Guide to Investing' issued by the European Securities and Markets Authority ('ESMA') here, the 'Investor Warning on Contracts for difference (CFDs)' issued jointly by ESMA and the European Banking Authority ('EBA') here and the 'Investor Warning on the risks of investing in Complex products' issued by ESMA, here.