

ONEQUITY LTD

FSA Licence No. SD154

**RISK DISCLOSURE &
WARNING NOTICES**

(hereafter “the Policy”)

onequity

Contents

PART A – RISKS ASSOCIATED WITH ALL FINANCIAL INSTRUMENTS	4
1. Introduction	4
2. Charges and Taxes	4
3. Third Party Risks	5
4. General Risks Type	5
4.1. <i>Market Risk</i>	5
4.2. <i>Credit Risk</i>	6
4.3. <i>Settlement Risk</i>	6
4.4. <i>Liquidity Risk</i>	6
4.5. <i>Interest Rate Risk</i>	6
4.6. <i>Commodity Risk</i>	6
4.7. <i>Operational Risk</i>	6
4.8. <i>Economic Risk</i>	6
4.9. <i>Political Risk</i>	6
5. Insolvency	7
6. Technical Risks	7
7. Trading Platform	8
8. Communication between the Client and the Company	8
9. Force Majeure Events	9
10. Abnormal Market Conditions	9
11. Foreign Currency Exchange	9
PART B – GENERAL INFORMATION ON RISKS ASSOCIATED WITH SPECIFIC FINANCIAL INSTRUMENTS	10
12. Introduction	10
12.1. <i>General Risk Warning For Complex Financial Instruments (Derivative Financial Instruments such as CFDs)</i>	10
12.2. <i>Trading in CFDs is VERY SPECULATIVE AND HIGHLY RISKY</i>	10
12.6. <i>Performance</i>	11
12.7. <i>Leverage</i>	11
12.8. <i>Risk-reducing Orders or Strategies</i>	11
12.9. <i>Volatility</i>	11
12.10. <i>Margin</i>	12
12.11. <i>Liquidity</i>	12
12.12. <i>Performance</i>	12
12.13. <i>Contracts for Differences</i>	12

12.14.	<i>Off-exchange transactions in Derivative Financial Instruments</i>	12
12.15.	<i>Contingent Liability Investment Transactions</i>	13
12.16.	<i>Collateral</i>	13
12.17.	<i>Suspensions of Trading</i>	13
12.18.	<i>No Delivery</i>	14
12.19.	<i>Slippage</i>	14
13.	No Guarantees of Profit	14
14.	Idemnity	14
15.	Amendment/Review of the Policy	14

PART A – RISKS ASSOCIATED WITH ALL FINANCIAL INSTRUMENTS

1. Introduction

- 1.1. This Risk Disclosure and Warning Notices Policy is provided to you (our Client and prospective Client) and it is being governed by the provisions of the revised laws Republic of Seychelles (“the Law”) and regulations by the Financial Services Authority in Seychelles (“FSA”), which is applicable to OnEquity Ltd (“the Company”).
- 1.2. All Clients and prospective Clients should read carefully the following Risk Disclosure and Warning Notices contained in this document, before applying to the Company for a trading account and before they begin to accept any services from the Company.
- 1.3. However, it is noted, that this document cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in Financial Instruments (e.g. Forex & Contract for Difference (“CFDs”)). The notice was designed to explain in general terms the nature of the risks involved, when dealing in Financial Instruments on a fair and non- misleading basis.

2. Charges and Taxes

- 2.1. The provision of services by the Company to the Client is subject to fees, available on the Company’s website. Before the Client begins to trade or accept any services from the Company, it is advisable, that she/he should obtain details of all fees, commissions and charges, for which the Client will be liable. It is the Client’s responsibility to check for any changes in the charges and applicable fees.
- 2.2. If any charges are not expressed in monetary terms (but, for example, as a percentage of contract value), the Client should ensure, that he understands, what such charges are likely to amount to.
- 2.3. The Company may change its charges at any time, according to the provisions of the Client’s Agreement, found on the Company’s website.
- 2.4. There is a risk, that the Client’s trades in any Financial Instrument 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 no tax and/or any other stamp duty will be payable. The Company does not offer tax advice and recommends, therefore the Client should seek advice from a competent tax professional, if the Client has any questions in this respect.
- 2.5. The Client is responsible for any taxes and/or any other duty, which may accrue in respect of his trades.
- 2.6. It is noted, that taxes are subject to change without notice.
- 2.7. If required by the applicable Law, the Company will 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.
- 2.8. It is possible, that other costs, including taxes, relating to Transactions, carried out on the Trading Platform, may arise, for which the Client is liable and which are neither paid by 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 of set-off against any amounts in the Client’s Trading Account, with respect to such tax deductions.

- 2.9. It is noted, that the Company's prices in relation to financial instruments trading are set by the Company and may be different from prices reported elsewhere. The Company's trading prices are the ones, at which the Company is willing to sell a financial instrument to a Client at the point of sale. 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 Order Execution Policy and Client's Agreement. As such, the price which the Client receives, when he opens or closes a position, may not directly correspond to real time market levels at the point in time, at which the sale of the financial instrument occurs or reflect the prices of third party brokers/providers.

3. Third Party Risks

- 3.1. It is understood, that the Company will promptly place any Clients' money it receives into one or more segregated account(s) (denoted as 'clients' accounts') with reliable financial institutions, such as a bank. Although the Company shall exercise due skill, care and diligence in the selection of the financial institution, 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 the insolvency or any other analogous proceedings or failure of the financial institution, where Clients' money will be held.
- 3.2. It is understood, that the legal and regulatory regime applying to any such financial institution, may be different in different jurisdictions. Hence, in the event of the insolvency or any other equivalent failure or preceding of that person, the Client's money may be treated differently from the treatment.
- 3.3. The financial institution to which the Company will pass Clients' money (as per paragraph 3.1.), 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 will be exposed to the risk, that the money received by the Company from the financial institution is insufficient to satisfy the claims of the Client.
- 3.4. The Company may deposit Clients' money with a depository, who may have a security interest, lien or right of set-off in relation to that money.
- 3.5. A Bank or Broker through whom the Company deals with, could have interests contrary to the Client's Interests.

4. General Risks Type

The types of risks described below (hereinafter „Major risks“) could have an impact on each type of investment, the nature and extend of which varies between countries, financial products, investments and fluctuations in the financial markets outside of anyone's control. The risks below are not exhaustive, but provide a general guideline.

4.1. Market Risk

Is the possibility of loss due to factors, which affect the overall market. Fluctuations in the market can affect the price of investments and depends on, among others, market supply and demand, investor perception, prices of the underlying investment, political and economical factors, all of which are unpredictable.

4.2. Credit Risk

Refers to a risk, that a borrower may not repay a loan or meet other contractual obligations. Credit risk arises from the failure of counterparties to fulfil their obligations, when transacting in credit linked products like bonds and the potential loss of occurring.

4.3. Settlement Risk

Is the risk, that one party will fail to deliver the terms of a contract with another party at the time of settlement. This risk is limited, where the investment involves financial instruments traded on a regulated market, however, increases where the investment involves financial instruments traded outside a regulated market, or where the settlement takes place in different times zones or different clearing systems.

4.4. Liquidity Risk

Is the risk stemming from the lack of marketability of an investment, which cannot be bought or sold quickly enough to prevent or minimize loss. Liquidity risk becomes particularly important to investors, who hold or are about to hold an asset, since it could affect their ability to trade.

4.5. Interest Rate Risk

Is the risk, that an investment value will change in the absolute level of interest rates. Interest rate risk affects the value of bonds more directly than stocks, because when the interest rate increases, bond prices fall and vice versa.

4.6. Commodity Risk

Is the risk, which affects the supply of product of a commodity. Commodities can be volatile and therefore any investment linked to a commodity, and may fluctuate substantially in the event of a natural disaster such as an earthquake or during a conflict of a war.

4.7. Operational Risk

Is the risk of business operations failing due to breakdowns or malfunctions of essential systems and controls, including IT systems and human operational risk changes from industry to industry, and is an important consideration to make, when looking at potential investment decisions, i.e. industries with lower human interaction are likely to have lower operational risk.

4.8. Economic Risk

Is the danger, that the economy as a whole, will perform poorly. When the whole economy experiences depression, it affects stock prices, the job market and the prices of consumer products.

4.9. Political Risk

Is the risk an investment's returns could suffer, as a result from political changes or instability in a country. Instability affecting investment returns could originate from a change in government, legislative bodies, other foreign policy makers or military control.

5. Insolvency

The Company's insolvency or default, may lead to positions being liquidated or closed out, without the Client's consent and as result the Client may suffer losses.

6. Technical Risks

- 6.1. 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.
- 6.2. If the Client undertakes transactions on an electronic system, he will be exposed to risks associated with the system, including the failure of 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.
- 6.3. The Client acknowledges, that the unencrypted information transmitted by e-mail is not protected from any unauthorized access.
- 6.4. 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).
- 6.5. The Client acknowledges, that the internet may be subject to events, which may affect his access to the Company's Website and/or the Company's 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 the Company's Website and/or Trading System or delay or failure in sending orders or Transactions.
- 6.6. In connection with the use of computer equipment, 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:
 - a) power cut of the equipment on the side of the Client or the provider, or communication operator (including voice communication) that serves the Client;
 - b) 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;
 - c) 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), which are used by the Client or the Company;
 - d) Wrong or inconsistent with requirements settings of the Client Terminal;
 - e) Untimely update of the Client Terminal;
 - f) When carrying out transactions via the telephone (land or mobile phone lines) voice communication, the Client runs the risk of problematic dialing, when trying to reach an employee of the dealing department of the Company, due to communication quality issues and communication channel loads;
 - g) 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;
 - h) Trading over the phone might be impeded by overload of connection;
 - i) Malfunction or non-operability of the Platform, which also includes the Client Terminal.

6.7. The Client may suffer financial losses, caused by the materialization of the above risks, the Company accepts 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.

7. Trading Platform

7.1. 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:

- (a) Failure of Client's devices, software and poor quality of connection.
- (b) The Company's or Client's hardware or software failure, malfunction or misuse.
- (c) Improper work of Client's equipment.
- (d) Wrong setting of Client's Terminal.
- (e) Delayed updates of Client's Terminal.

7.2. The Client acknowledges, that only one Instruction is allowed to be in the queue at one time. Once the Client has sent an Instruction, a new Instruction can be given to the Company.

7.3. The Client acknowledges, that the only reliable source of quotes flow information, is that of the live Server's quotes base. Quotes base in the Client Terminal is not a reliable source of quotes flow information, because the connection between the Client's Terminal and the Server may be disrupted at some point and some of the quotes simply may not reach the Client Terminal.

7.4. The Client acknowledges, that when the Client 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.

7.5. Orders may be executed one at a time, while being in the queue. Multiple orders from the same Client's Account at the same time may not be executed.

7.6. The Client acknowledges, that when the Client closes the Order, it shall not be cancelled.

7.7. 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.

7.8. 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 triggered.

8. Communication between the Client and the Company

8.1. 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.

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

8.3. 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.

8.4. The Client is fully responsible for the risks in respect of undelivered Company's Online Trading System internal mail messages sent to the Client by the Company.

9. Force Majeure Events

9.1. In case of a Force Majeure Event the Company may not be in a position to arrange for the execution of Client Orders or fulfill its obligations under the agreement with the Client. As a result the Client may suffer financial loss.

9.2. 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

10.1. 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.

10.2. 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. Foreign Currency Exchange

11.1. When a Financial Instrument is traded in a currency different than the currency of the funds deposited by the Client, due to the exchange rates of the different currencies, it is possible, that this may have a negative effect on the value and price of the financial instrument, and may lead to losses for the Client.

11.2. Any investments denominated in foreign currencies will be subject to fluctuations in currency rates and currency conversion fees. Exchange rate fluctuations can have a substantial impact on the investment portfolio of the Clients, even if it contains only domestic investments.

11.3. Exchange rates may also impact the investment performance, interest rates and inflation in general.

PART B – GENERAL INFORMATION ON RISKS ASSOCIATED WITH SPECIFIC FINANCIAL INSTRUMENTS

12. Introduction

12.1. General Risk Warning For Complex Financial Instruments (Derivative Financial Instruments such as CFDs)

Trading CFDs can put Client's capital at risk, especially if used in a speculative manner. CFDs are categorised as high risk complex Financial Instruments and Clients may lose the amount invested. The Company does not guarantee the initial capital of the Clients' investment portfolio or its value at any time or any money invested in any Financial Instrument.

The investment decisions made by the Clients are subject to various markets, currency, economic, political, business risks etc., and will not necessarily be profitable.

The Client acknowledges and without any reservation accepts, that notwithstanding any 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.

The Client understands, that an investment in any Financial Instrument carries a high degree of risk and that the money, that he/she invested will not remain the same, since the Client undertakes the risk of sustaining a loss/damage, whilst at the same time, there is a possibility that a profit/return will materialize.

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

12.2. **Trading in CFDs is VERY SPECULATIVE AND HIGHLY RISKY** and is not suitable for all members of the general public, but only for those investors who:

- a) understand and are willing to assume the economic, legal and other risks involved;
- b) taking into account their personal financial circumstances, financial resources, life style and obligations, are financially able to assume the loss of their entire investment;
- c) have the knowledge to understand CFDs trading and the Underlying assets and Markets.

12.3. 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 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.

12.4. 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/her trade.

12.5. The actual buy or sell price may differ from the market data provided on the Company's website. The Client understands, that he/she will receive a price, at which the order is executed in the market, whether he/she executes a market or limit order. Particularly during periods of high volume, illiquidity, fast movement or volatility in the marketplace, or the placement of large orders, the execution price you receive may differ from the quote published at the time of order entry, and The

Client may receive partial executions at different prices. The Client understands, that the Company is not liable for any such price fluctuations.

Financial Instruments may open for trading at prices, substantially higher or lower than the previous closing price or the anticipated price.

12.6. Performance

Information of the previous performance of a Financial Instrument 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 Financial Instruments, to which the said information refers.

12.7. Leverage

12.7.1. Transactions in foreign exchange and derivative Financial Instruments carry a high degree of risk. The amount of initial margin may be relatively small, in comparison to the value of the foreign exchange or derivatives contract, so that transactions are leveraged.

12.7.2. A relatively small market movement will have a proportionately larger impact on the funds the Client has deposited or will have to deposit; this may work against the Client, as well as for the Client. The Client may sustain a total loss of initial Margin funds and any additional funds deposited with the Company to maintain his position. 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 closure of his position(s) by the Company on his behalf and he will be liable for any resulting loss or deficit.

12.8. Risk-reducing Orders or Strategies

12.8.1. The placing of 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, may not be adequate given, that markets conditions make it impossible to execute such Orders, e.g. due to illiquidity in the market. 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.

12.8.2. Trailing Stop and Expert Advisor cannot guarantee the limit of loss.

12.9. Volatility

Some Derivative 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 as well as profits. The price of Derivative Financial Instruments is derived from the price of the Underlying Asset, in which the Derivative Financial Instruments refer to. Derivative Financial Instruments and related Underlying Markets can be highly volatile. The prices of Derivative 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's order to be executed at declared prices leading to losses. The prices of Derivative Financial Instruments and the Underlying Asset will be influenced by, amongst other things, changing 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 market place.

12.10. Margin

12.10.1. The Client acknowledges and accepts that, regardless of any information, which may be offered by the Company, the value of Derivative Financial Instruments 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 favor, the Client may achieve a good profit, but an equally small adverse market movement can not only quickly result in the loss of the Clients' entire deposit, but may also expose the Client to a large additional loss.

12.10.2. The Company can force the sale of securities or other property in the Client's Account, if the equity in the margin Account falls below the current maintenance margin requirements of the Company, without notice to the Client and without a prior margin call. The Company may increase or decrease its current margin requirements at any time and is not required to provide the Client with advance notice. The Client is not entitled to choose, which securities in your margin Account are liquidated or sold to meet your margin or call requirements.

12.11. Liquidity

Some of the Underlying Assets may not become immediately liquid as a result of reduced demand for the Underlying Asset and Client may not be able to obtain the information on the value of these or the extent of the associated risks.

12.12. Performance

The Client declares, that he/she has read, understands and accepts, that the information of the previous performance of a Financial Instrument and/or Leading traders does not guarantee its current and/or future performance. The use of historical data does not establish a binding or reliable prediction, as to the future performance of the corresponding Financial Instruments which the said information mentions.

12.13. Contracts for Differences

12.13.1. The CFDs available for trading with the Company are non-deliverable spot transactions giving an opportunity to make profit on changes in the Underlying Asset (cash indices, index futures, commodity futures, spot crude oil, spot gold, spot silver, currencies or any other asset according to the Company's discretion from time to time). If the Underlying Asset movement is in the Client's favour, the Client may achieve a good profit, but an equally small adverse market movement can not only quickly result in the loss of the Clients' entire deposit, but also any additional commissions and other expenses incurred. So, the Client must not enter into CFDs, unless he is willing to undertake the risks of losing entirely all the money, which he has invested and also any additional commissions and other expenses incurred.

12.13.2. Investing in a Contract for Differences carries the same risks, as investing in a future or an option and the Client should be aware of these as set out above. Transactions in Contracts for Differences may also have a contingent liability and the Client should be aware of the implications of this, as set out below under "Contingent Liability Investment Transactions".

12.14. Off-exchange transactions in Derivative Financial Instruments

12.14.1. CFDs offered by the Company are off-exchange transactions. 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 best execution, to act reasonably and in accordance with our Client's Agreement and with our Best Execution Policy. Each CFD, which the Client invests into 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/entity. 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. Bid prices and Ask prices do not need to 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.

12.14.2. In regards to transactions in CFD's the Company is using an Online Trading Systems, which do not fall into the definition of a recognized exchange as this is not a Multilateral Trading Facility and so do not have the same protection.

12.15. Contingent Liability Investment Transactions

12.15.1. Contingent liability investment transactions, which are margined, require the Client to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. The Margin requirement will depend on the underlying asset of the Financial Instrument. Margin requirements can be fixed or calculated from current price of the underlying instrument, using the trader's calculator on the website of the Company.

12.15.2. If the Client trades in futures or Contracts for Differences, he may sustain a total loss of the funds he has deposited, to open and maintain a position. If the market moves against the Client, he may be called upon to pay substantial additional funds at short notice, to maintain the position. If the Client fails to do so within the time required, his position may be liquidated at a loss and he will be responsible for the resulting deficit. It is noted, that the Company will not have a duty to notify the Client for any Margin Call, to sustain a loss making position.

12.15.3. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances, over and above any amount, paid when the Client entered the contract.

12.15.4. Contingent liability investment transactions, which are not traded on or under the rules of a recognised or designated investment exchange, may expose the Client to substantially greater risks.

12.16. Collateral

If the Client deposits collateral, as security with the Company, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of the collateral, depending on whether the Client is trading on a recognised or designated investment exchange, with the rules of that exchange (and the associated clearing house) applying, or trading off-exchange. Deposited collateral may lose its identity, as the Client's property once dealings on the Client's behalf, are undertaken. Even if the Client's dealings should ultimately prove profitable, he may not get back the same assets, which he deposited, and may have to accept payment in cash.

12.17. 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.

12.18. No Delivery

It is understood, that the Client has no rights or obligations in respect of the Underlying Assets, relating to the CFDs he is trading. There is no delivery of the underlying asset.

12.19. Slippage

Slippage is difference between the expected price of a Transaction in Financial Instruments, 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, when market orders are used, 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.

13. No Guarantees of Profit

The Company provides no guarantees of profit, nor of avoiding losses, when trading in Financial Instruments. The Client has received no such guarantees from the Company or from any of its representatives. The Client is aware of the risks inherent in trading in Financial Instruments and is financially able to bear such risks, and withstand any losses incurred.

14. Indemnity

This Policy contains provisions limiting the liability of the Company to the Client and providing for its indemnification by the Client in certain circumstances, provided that the Company has met its standard of care. Under these provisions the Client may be exposed to liability for his/her actions on the Company's website and potentially be required to indemnify the Company for any losses incurred by the Company, based on the Client's activities on the website.

15. Amendment/Review of the Policy

The Company reserves its right to review and amend this Policy at any given time, it deems suitable and appropriate without any notice given to the Clients. The Policy is available for review by all Clients on the Company's website. Any new version will be effective from the time of posting on the website, and all Clients are advised to visit the regulatory documents section on the website on a regular basis to ensure, that they have read the latest version of the document.