

RISK DISCLOSURE

1. INTRODUCTION

This Risk Disclaimer outlines the key risks associated with trading leveraged financial products, including CFDs (Contracts for Difference) offered by Access2Markets (Pty) Limited (Company), a licensed Financial Services Provider under the FSCA (FSP License No. 47076), who is authorised to provide intermediary services only. The principal counterparty to all your trading activity is always AT Global Markets SA (PTY) LTD, a licensed OTC Derivatives Provider (ODP) with FSP License No. 44816. The Company promotes informed and responsible trading and ensures transparency in communicating trading risks.

The risks and characteristics contained in this statement represent some of the more general risks and characteristics prevalent in CFDs, and as such, should not be looked at as exhaustive. More risks will be added as and when identified.

Before deciding to participate in the Forex and derivative market, you should carefully consider your level of knowledge and experience. You should have relevant and sufficient knowledge and experience of trading in Forex and derivative products. This is to ensure that you understand the risks of trading in Forex and derivative products and to ensure trading in such products is appropriate for you.

You should also consider your investment objectives and risk appetite, how CFDs work and whether you can afford to take the high risk of losing your money. CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. Trading Forex and derivatives carries a high level of risk to your capital.

Do not invest money you cannot afford to lose. Forex and derivative products are leveraged products and the effect of leverage is that a small price movement can cause both gains and losses to be magnified. Trading derivatives and Forex may not be suitable for all investors. Please seek independent professional financial advice if you do not understand the risks involved in trading Forex and derivative products.

Forex and derivative products are 'complex financial instruments'. A 'complex financial instrument' is a high-risk investment and requires a greater level of experience and knowledge of the underlying risks involved.

Complex financial instruments include instruments such as derivatives, which are not considered to be 'readily realizable' (potentially difficult to sell when you want to). Examples of complex financial instruments able to be traded on the platform:

- Rolling Spot Forex
- Contract for Difference (CFD)

2. LEVERAGE RISK

- Margin is the amount of money you need to open a position, defined by the margin rate. Margin trading is a high-risk trading strategy that allows you to trade more than the capital or 'margin' that a firm holds for you. This is also known as 'leverage' or 'leverage trading', which means that you can place trades that are greater than the relatively small amount of money that you have deposited as margin. With margin trading you can make significant gains if the price moves in your favour. However, even a small movement in price against you can lead to substantial losses.
- If this happens, you may be required to deposit additional margin with us immediately to keep these trades open, this is referred to as a 'Margin Call'. You are liable for ensuring that you always deposit enough margin and for any losses that you may incur when your positions are closed.
- Margin trading carries a high degree of risk to your capital and as such, it is not suited to all investors. Before you decide to carry out any margin trading, please ensure that you fully understand the risks involved, and seek independent advice if necessary.
- You should ensure that you have sufficient resources available to you to cover any adverse movement in the price of the margined product, any margin requirement or loss.
- In normal circumstances a loss of 50% of the initial margin in your account would have triggered automatic close-out, requiring Access2Markets to close one or more of your positions. However, in circumstances of severe market stress it may not be possible to close out positions, which could lead to a maximum loss of 100% of your deposit.
- To manage exposure, employ risk reducing strategies such as:
 - Make use of "stop loss" or "limit" orders to limit potential losses when utilizing leverage. Stop Loss or limit orders are not guaranteed; gaps in market pricing may cause your Stop Loss orders to be filled at a less advantageous price.
 - Use a lower leverage so you can impose a higher margin requirement on yourself. This way, you will be less tempted to enter into positions beyond your comfortable leverage level. You will also be aware of a potential margin closeout sooner.
 - Monitor the status of your account and open positions continuously.
- You are required to deposit a margin with the firm in order to open a position and it is your responsibility to ensure that you have enough margin to cover your open positions. If your

margin requirement is insufficient, you will either need to deposit more funds in order to maintain the position or reduce the position to reduce your margin requirement.

- If you do not take any action to maintain your margin, then we will have the right to close your trade for you and you accept that you will be responsible for any losses

2.3 Rolling Spot Forex

- A rolling spot forex contract can be 'rolled' indefinitely and no currency is actually delivered until the position is closed. This exposes both parties to fluctuations in the underlying currencies.

2.4 Exchange Risk

- Forex and CFD products are exposed to 'exchange risk'. Exchange risk also known as "currency risk" is the risk of loss (or gain) from unforeseen changes in exchange rates (the prices at which currencies trade for each other). There is a risk that you will have to close out a long or short position in a foreign currency at a loss due to an adverse movement in exchange rates. It can also be described as the uncertainty of returns where you purchase securities in a currency different to your domestic currency.

2.4 Technical Risk

- The Customer is responsible for any technical issues sustained on the Customer's side. These issues include but are not limited to:
 - Failure of your hardware, software or internet connection.
 - Improper operation of your equipment
 - Improper settings on the your trading Terminal
 - Delay in your trading terminal updates
 - MetaTrader failure on your Computer
- You acknowledge that at the moment of peak load there may be some difficulties in getting telephone communication.

2.5 Order Transmission

- You acknowledge that once a transmission is made from the trading terminal and it enters the execution queue and begins being processed it cannot be cancelled. Any other instruction pertaining to the transmission will be ignored until the transmission is completed. You should always verify thoroughly the details of volume, product and price level prior to submitting any transaction. All transactions are performed on a first-in-first-out basis.

2.6 Third Party and Trading Agents

- In the event that you grant trading authority to a third party, whether on a discretionary or non-discretionary basis, we shall in no way be responsible for reviewing your choice of third party. We are in no way liable for any losses incurred by such a party and any disputes that may arise will be resolved between you and the third party. In the case of an unnamed third party on your account, we are not liable for rejecting any instruction from a non-authorized party on your trading account.

2.7 Phone Communication

- The Customer understands that during peak trading hours that the you may experience some difficulties in contacting us due to high volume. We cannot be held liable for any disruptions in service due to any force majeure.

2.8 Risks specific to CFDs

- A CFD is an agreement to exchange the difference between the opening and closing value of a contract at its close. Rather than buying or selling the underlying instrument on which your contract is based, you simply place a trade with a CFD provider.
- The price of your CFD will then replicate the price of the underlying asset (without actually owning the underlying product) giving you a profit (or a loss) as the price of the underlying moves, so that the amount of any profit or loss made on a CFD will be equal to the difference between the price of the underlying instrument when the CFD is opened and the price of the underlying instrument when the CFD is closed, multiplied by the number of underlying instruments to which the CFD relates.
- CFDs are a way of trading on the upward or downward price movements of traditional financial markets without buying or selling the underlying asset directly.
- You should also be aware that a CFD is a 'principal-to-principal' contract which means that once the position has been opened, you are restricted to closing your position with the same counterparty, regardless of whether or not you could have achieved a better outcome elsewhere.
- There are a number of intrinsic risks involved in dealing with CFDs. Before trading in CFDs, we encourage you to educate yourself about these risks associated and only invest money that you can afford to lose. Below are some of those key risks:
 - Faults, defects, hacks, exploits, errors, protocol failures or unforeseen circumstances occurring in respect of a CFDs or the technologies or economic systems on which the CFDs rely;
 - Transactions in CFDs are irreversible. Consequently, losses due to fraudulent or accidental transactions may not be recoverable;

- Network delays causing transactions to not be settled on the scheduled delivery date;
- Attacks on the protocol or technologies on which a CFDs depends;
- Legislative and regulatory changes or actions at state or international level may affect the use, transfer, exchange, and value of CFDs currency.

2.8 Market risks

- An investment in CFDs carries significant risk. The value of an investment and any returns can go up or down, and you may lose all or part of your investment and not get back the amount you invested. You may face increased periods of price volatility during market events such as economic and political news announcements, elections and so forth. During this period there may be times where spreads are considerably wider than usual. This can impact your account in the following ways; in general, wide spreads will mean the cost of closing your position will be greater. This will reflect as a loss to your equity and raises the chance of you breaching your margin requirement. If you are new to CFDs, consider investing only a small amount. Only invest in what you can afford to lose. It is important to do your own research to understand the risks of investing in CFDs.
- Under extreme volatility you will see your profit and loss fluctuate far more than normal. This means you may enter margin close out quicker. If the market were to spike, crash or gap, it could result in significant losses especially for a highly-leveraged trading account. Gapping is a risk that arises as a result of market volatility. Gapping occurs when the prices of our products suddenly shift from one price to another, as a consequence of market volatility. There may not always be an opportunity for you to place an order or for the platform to execute an order between the two price levels. One of the effects of this may be that stop-loss orders are executed at unfavorable prices, either higher or lower than you may have anticipated, depending on the direction of your trades.
- CFDs trading is speculative in nature, and prices are volatile and market movements may be difficult to predict. Supply and demand for CFDs can change rapidly without warning and can be affected by a variety of factors which may not be predictable, including regulation, general economic trends and developments in the CFDs ecosystem. All investments in CFDs carry the risk of loss.
- Past performance is not indicative of future performance. The Company and ODP do not in any way guarantee or provide any assurance about the performance or market price of CFDs or products available on the platform.
- The CFDs industry is subject to systemic and systematic risk. Systemic and systematic risks are both threats to the CFDs markets and economy, but the cause of these risks and the approaches for managing them are different. Systemic risk is the risk that a company or industry-level risk could trigger a major collapse. Systematic risk is the risk inherent to

the entire market, which can be economic, sociopolitical, technological, or natural in origin. These risks can affect the prices of CFDs.

- There will be limitation on when you are able to carry out trading, for example you will not be able to trade over weekends and bank holidays when financial markets will generally be closed for trading. You should be aware that this may cause the markets to open at a significantly different price from where they closed.
- You will not be able place or change orders over the weekend, on market holidays or and at other times when the relevant markets are generally closed.
- There is a substantial risk that non-guaranteed “stop-loss” orders left to protect open positions held during these periods, can be executed at levels significantly worse than their specified price and you will be liable for ‘making good’ any losses, even if they are unforeseen.

2.9 Liquidity risks

- Liquidity risk arises from situations in which an investor interested in trading a security cannot do so because no one in the market wants to trade that security. It is the inability to find buyers on the terms desired. It is also the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Certain CFDs may be (or become) illiquid, based on supply and demand dynamics, meaning you may have to pay a significant premium or discount relative to the prevailing market quoted rate to enter or exit a position. Also, certain CFDs may have restrictions or limitations on their liquidity, and you may not be able to unwind a position as quickly as you may require.
- Non-highly traded securities bear higher liquidity risk since there is a risk of having difficulty in liquidating an investment position without taking a significant discount from current market value. The liquidity risk is usually reflected in a wide bid-ask spread and large price movements and can take the following three forms:
 - Bid-ask spread: how much a trader can lose by selling an asset and buying it back right away.
 - Market depth: how many units traders can sell or buy at the current bid or ask price without moving the price.
 - Market resiliency: how long it takes for prices that are temporarily incorrect to return to normal.

2.10 Execution Only

- You carry out your trading activities on an execution only basis. This means that we will not provide you with investment advice relating to investments or possible transactions in investments.

- We are permitted to provide factual market information and information about transaction procedures, potential risks involved and how those risks may be minimised, but any decision made to trade must be yours.

2.11 Availability of our platforms

- While we strive to deliver a seamless user experience, we cannot guarantee that our services and platforms will be available all the time. Similarly, we cannot guarantee that our services will not be subject to unplanned service outages or network congestion. It may not be possible for you to buy, sell, transfer, send or receive CFDs at the time you wish to do so.
- Additionally, any website, platform, software, and content that we provide, is on an “as is” and “as available” basis. There is no warranty that the process for creating a transaction is error-free. There is an inherent risk that the software could contain weaknesses, vulnerabilities, bugs, etc., that could cause complete loss of website or platform.
- There are legal requirements in various countries which may restrict the products and services that we can lawfully provide. Accordingly, some products and services and/or certain functionality within our platforms, may not be available or may be restricted in certain jurisdictions or regions or to certain users, and as such any campaigns, user competitions or other promotions will not be open to (and are not targeted at or intended for) such users to whom restrictions apply.
- Users are responsible for informing themselves about and observing any restrictions and/or requirements imposed with respect to the access to, and use of our platforms. We reserve the right to modify such restrictions or impose additional restrictions with respect to the access to and use of our platforms, from time to time, in our sole discretion, and without notification.

2.11 Third party risks

- Third parties, such as payment providers, custodians, and banking partners may be involved in the provision of services. You may be subject to the terms & conditions of these third parties. Unless expressly provided otherwise, we will not be responsible for any loss that may be incurred by you as a result of; or arising from the services provided by such third parties.

2.12 Cyber risks

- The nature of CFDs exposes you to an increased risk of cyberattack. While we use all reasonable efforts to safeguard CFDs and protect its platforms from cyberattack, it is not possible for any exchange to eliminate security risks entirely. There can be no guarantee

that systems in place to mitigate cybersecurity threats will always be effective to prevent improper access to the Platform and CFDs.

- As a user of our platforms, you are responsible for keeping your account information safe, and you shall be responsible for all the transactions that take place in your account, whether you authorised them or not. Transactions in CFDs may be irreversible, and losses due to fraudulent or unauthorised transactions may not be recoverable.

2.14 Legal and regulatory risks

- Legislative and regulatory changes may adversely affect or restrict (as applicable) the use, transfer, exchange and value of CFDs, as well as the provision of the services by the Company in certain jurisdictions. Legislative and regulatory changes may occur quickly and without prior notice.

2.15 Fees and charges

- Before you begin to trade, you should ensure that you understand all commissions and other charges for which you will be liable. All costs and charges have been disclosed to you separately.

2.16 Tax risk

- You have sole responsibility for determining what taxes you might be liable to, how and when they apply, and meeting such tax obligations, when transacting with the Company. It is your responsibility to report and pay any taxes that may arise from entering into a transaction by using our services. You further acknowledge that the Company does not provide legal or tax advice in relation to these transactions. If you have any doubts about your tax status or obligations when using our services, or with respect to the CFDs held in your account, you are encouraged to seek independent advice.
- You acknowledge that when, where and as required by applicable Law, the Company shall report information regarding your transactions, transfers, distributions or payments to tax or other public authorities. Similarly, when, where and as required by Applicable Law, the Company shall withhold taxes related to your transactions, transfers, distributions or payments. Applicable laws could also prompt the Company to request that you provide additional tax information, status, certificates or documentation or other information. You acknowledge that failure to comply with these requests within the specified timeframe, may result in taxes withheld by the Company, to be remitted to tax authorities as defined by applicable laws. You are encouraged to seek professional and personal tax advice regarding the above and before entering into any transaction/s.

3 INDEMNITY AND WARRANTIES

3.1 Indemnity

- To the maximum extent permitted by any Applicable Law, you agree to indemnify the Company, its operating entities or any other Affiliates (including their respective directors, members, employees and/or agents) against any action, liability, cost, claim, loss, damage, proceeding or expense suffered or incurred directly or indirectly arising from their use of or conduct in relation to the Company Website and/or their Account, or from their violation of the Terms & Conditions and/or this Risk Disclosure.

3.2 Warranties by Account Holder

- You represent and warrant that you have the necessary technical expertise and ability to review and evaluate the security, integrity and operation of any CFDs currency that you may decide to acquire or trade; and the knowledge, experience, understanding, professional advice and information to make your own evaluation of the merits and risks of any CFDs currency trade. You accept the risk of trading CFDs currency and are responsible for conducting your own independent analysis of the risks specific to CFDs. You further acknowledge that you should not acquire or trade any CFDs currency unless you have sufficient financial resources and can afford to lose all the value invested.

4. General

- There are risks associated with using an internet-based trading system including, but not limited to, the failure of hardware, software, and internet connection. The Company is not responsible for communication failures or delays when trading via the internet. The employs back-up systems and contingency plans to minimise the possibility of system failure.
- The is not liable for any loss or damage, including without limitation, any loss of profit, which may arise directly or indirectly from use or reliance on such information.
- The Company has taken reasonable measures to ensure the accuracy of the information on the website. The content on this website is subject to change at any time without notice. Any opinions, news, research, analyses, prices, or other information contained on this website are provided as general market commentary, and do not constitute investment advice
- If you are in any doubt whatsoever about any aspect of the risks involved in the financial instruments noted in this Disclosure, then we strongly recommend that you seek independent professional advice before continuing, as your trading strategy and forex and derivative products may not be appropriate for you.

- Margin/CFD trading is not necessarily designed to replace existing or traditional methods of investing and is therefore not suited to everyone so you must ensure that you fully understand the risks before taking up your trading strategy.