RISK DISCLOSURE AND WARNINGS NOTICE

VERSION 2.0

01/2023

1. GENERAL

1.1 Olympic Markets Financial Services Ltd, is a private limited company incorporated under section 15 of the Labuan Companies Act 1990 ("**Act441**") with registration number LL17699, fully authorized and regulated by the Labuan Financial Services Authority (LFSA) under License number MB/22/0106. Our registered address is at Unit B, Lot 49, 1st Floor Block F Lazenda Warehouse 3, Jalan Ranca-Ranca 87000 F.T. Labuan Malaysia, offering it services through its various brand names and websites. (also, referred to as the **"Company"**, the "**Firm"**, "**we"**, **"us"**, **"our"** and **"ourselves"** as appropriate).

1.2 The Company hereby provides you with this "Risk Disclosure and Warnings Notice" (the **"Notice"**) to help you understand the risks that might arise when trading in financial products and/or Contracts for Difference ("**CFDs"**) to allow its Clients (referred to as the **"Client"**, **"you"**, **"your"** and **"yourself"**) being in a position to make investment decisions on an informed basis. However, please have in mind that the Notice does not contain all the risks associated with and aspects involved in the financial products. In this respect, Clients are advised to independently analyse all potential risks associated with the investment products the Company offers prior to making any investment decisions. The Notice in conjunction with the "Client Agreement", the "Order Execution Policy" and the documentation/ information available to you through our Websites, must be thoroughly read by Clients.

1.3 Clients can trade through the Company all permissible financial instruments subject to the provisions of the Labuan Financial Services and Securities Act 2010 ("**Financial Instruments**").

1.4 You need to ensure that any decision to engage in trading in the products is made on a duly informed basis, subject to your understanding, knowledge,experience and your personal circumstances, including but not limited to your financial position. Products offered by the Company are high risk and may not be suitable for all Clients due to a high risk to the capital they carry, as prices may move rapidly against Clients. All Clients are advised that they may not necessarily get back the amount that was invested. Clients should not deal in products unless they fully understand their nature and the extent of their exposure to risk, aspects involved and potential loss, which may exceed their initial investment.

1.5 Trading in certain Financial Instruments is not suitable for all Clients. Clients should not deal in products unless they understand their nature and the extent of their exposure to risk and potential loss, which may exceed their initial investment. Under no circumstances, you should risk more than you are prepared to lose.

2. APPROPRIATENESS ASSESSMENT

2.1 When processing your “Account Opening Form” the Company carries out an assessment of your appropriateness to trade in Financial Instruments and determines, based on information you provide us with, if you have the necessary knowledge and experience to understand the risks involved in trading in certain Financial Instruments. The Company will inform you of the results of its assessment but this does not relieve you of the need to carefully consider whether to trade in financial instruments with the Company. If we warn you that trading in certain Financial Instruments may not be appropriate for you, you should refrain from trading in such Financial Instruments until you attain sufficient knowledge and experience.

3. PRODUCT DESCRIPTION

3.1 Financial Instruments offered are leverage products and offer exposure to the markets while requiring Clients to only put down a small margin (“deposit”) of the total value of the trade. Financial instruments allow investors to take advantage of prices moving up (by taking “long positions”) or prices moving down (by taking “short positions”) on underlying assets. CFDs and other Financial Instruments can be utilized for the management of investment risk, however some of these financial products are unsuitable and not appropriate for many Clients due to their high degree risk. Please refer to the full list of the financial products we offer, which is available on our Website.

3.2 Trading foreign exchange or “Forex” on margin carries a high degree risk since it involves leverage and may not be suitable for all investors. The ‘leverage’ involved in trading foreign exchange on margin means that a small initial margin deposit can potentially lead to large losses as a relatively small market movement can lead to a proportionately much larger movement in the value of your investment, and this can work against Client. Therefore, prior to trade foreign exchange on margin, Clients should carefully consider their investment objectives, level of experience, and risk appetite. It is possible that Clients could sustain a loss in excess of initial investment. If Clients fail to meet any margin requirement within the time required, which may be short, their position may be liquidated, and they will be responsible for any resulting losses.

3.3 Trading in Financial Instruments offered by the Company from time to time involves a high degree risk. Given the leverage involved in trading in Financial Instruments, a relatively small market movement can have a proportionately larger impact on the funds deposited in the trading account. Clients could sustain a total loss of all funds in their Trading Account and may be required to deposit additional funds. In the event where a Client fails to meet any margin requirement within the time required (which may be short), the position may be liquidated, and the Client will be responsible for any resulting losses.

3.4 Transactions in foreign exchange and CFDs carry a high degree risk. The amount of initial margin may be small relative to the value of the foreign exchange or derivatives contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the fund's that Clients have deposited.Clients may sustain a total loss of initial margin funds and any additional funds deposited with The Company to maintain the 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 the position. Failing to comply with a request for a deposit of additional funds, may result in closure of position(s) by The Company on the Client' behalf. Please bear in mind that the Client's ability to open and/or close trades is dependent on the availability of our trading platform(s).

4. COSTS AND CHARGES

4.1 Clients should ensure that they fully understand any costs, charges or commissions associated with their trades. Such costs and charges will decrease any profit the Clients make when transacting in financial instruments. Please refer to the list of applicable charges as available on our Main Website.

4.2 The prices generated by our trading platform(s) are derived from the prices of the relevant underlying instruments, which The Company obtains from third party liquidity/ price providers. The prices of CFDs that the Clients trade with us include a mark-up; this means that the spreads offered by us comprise of (i) the raw spreads received from liquidity/ price provider(s) and (ii) a mark- up (where applicable).

4.3 Please note that 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 instance, due to changes in legislation or the Clients personal circumstances. The Company does not warrant that no tax and/or any other stamp duty will be payable. No tax advice is provided by The Company and we recommend that in the event where the Client has any questions, they should seek advice from a competent tax professional.

4.4 Please further note that the Client is solely responsible for any taxes and/or any other duty which may accrue in respect of his trades.

4.5 Taxes are subject to change without notice.

4.6 Additional 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 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, it is

hereby agreed by the Client that The Company may deduct tax, as may be required by the applicable law and regulations, with respect to the Clients 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.

4.7 It is further noted that the Company's prices in relation to trading are set by The Company and may be different from the prices reported elsewhere. The trading prices of The Company are the ones at which The Company is willing to sell to its Clients at the point of sale. Despite the fact that the prices displayed on the trading platform of The Company reflect the last known available prices at the moment prior to placing any order, the actual execution price of the order may differ. Therefore, the price that the Client receives when they open or close a position may not directly correspond to real time market levels at the point in time at which the sale occurs or reflect the prices of third-party brokers/providers.

5. UNDERLYING MARKET RISKS

5.1 The prices provided are ultimately derived from various underlying markets and Clients should be aware of the risks associated in these underlying markets, which are outside of the control of The Company and/or your control. Accordingly, prices will become volatile.

(i) Overseas markets

Any overseas investment or investment with an overseas element can be subject to the risks of overseas markets which may involve different risks from those of the home market of the investor. In certain cases, the risks will be greater. The potential for profit or loss from transactions on foreign markets or in overseas denominated contracts will be affected by fluctuations in overseas exchange rates.

(ii) Emerging markets

Price volatility in emerging markets, in particular, can be extreme. Price discrepancies, low trading volumes and wide pricing spreads can be common and unpredictable movements in the market not uncommon. Furthermore, the financial markets may react with dramatic upswings and/or downswings in prices during a very short period of time once news about a country becomes available.

In general, emerging markets lack the level of transparency, liquidity, efficiency, market infrastructure, legal certainty and regulation found in more developed markets. It may be difficult to employ certain risk and legal uncertainty management practices for emerging markets investments, such as forward currency exchange contracts or derivatives. The risks associated with nationalisation or expropriation of assets, the imposition of confiscatory or punitive taxation, exchange controls, restrictions on investments by foreigners

in an emerging market, sanctions, war and revolution should also be considered.

(iii) Third Party Risks

The Company will promptly place any Client money it receives into one or more segregated account(s) (denoted as "Clients' accounts") with reputable financial institutions, while exercising due skill, care and diligence in electing the financial institution. It is understood that there are circumstances beyond the control of The Company and therefore, The Company does not accept any liability or responsibility whatsoever for any resulting losses to the Client due to the insolvency or any other similar proceedings or failure of the financial institution where Client's money will be held.

The financial institution to which The Company will pass Client's money may hold it in an omnibus account. In the event of the insolvency or any other similar 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.

It is noted that accounts held with institutions, including omnibus account(s), face various risks, including the potential risk of being treated as one (1) account in case the financial institution in which the funds are held defaults.

6. OTHER RISKS

6.1 ***Legal, regulatory, taxation environment and/or other risk***

Your capacity to trade in Financial Instruments may also be materially affected as a result of changes in the legal, regulatory, taxation and/or any other environment. A change in laws or regulations made by a government or a regulatory body or a decision reached by a judicial authority can increase the business operational costs, reduce investment attractiveness, change the competitive landscape, resulting to changing the profit possibilities of an investment. This is an unpredictable risk and may vary from market to market.

6.2 ***Technical risks***

The Company tries to generate prices continuously and provide you with access to our trading platforms throughout the trading sessions as indicated on our Main Website. However, there are instances where this might not be possible due to malfunction, interruption, disconnection or malicious actions of information, communication, poor telecommunication/ internet connectivity, electricity, electronic or any other systems. The above may cause prices to vary between the time an order is placed and the time the order has been received by The Company. Please note that these technical risks may significantly impact the execution of your orders.

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 acknowledges that they may have some difficulties to be connected over the phone or the Company's platform(s)/system(s).

6.3 ***Foreign exchange and related risks***

Clients will be affected by foreign exchange movements, in case they are trading in a product that is denominated in a currency other than the currency of their Account.

Any currency conversion calculations are provided by The Company to the Client in the currency in which the Client account is denominated and the currency of the relevant CFD, using the cross-spot rate.

The weakening of a country's currency relative to a benchmark currency or the currency of Client's portfolio will negatively affect the value of an investment denominated in that currency. Currency valuations are linked to a host of economic, social and political factors and can fluctuate greatly.

6.4 ***Foreign currency***

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.

6.5 ***Political risk***

An unstable political environment can have a significant effect on a country's financial stability. Many emerging market countries experience rapid and significant changes in their political environment on a regular basis due to various reasons, including, but not limited to social, ethnic, or religious strife, which often result in dramatic changes in governmental policy (including changes in exchange controls and market regulation). As a result, it may be difficult for investors or their counterparties to predict the effect of such changes on transactions which they enter into due to such instability.

6.6 The Client acknowledges that he may suffer financial losses caused by the materialization of the above risks and The Company accepts no responsibility or liability in the case of such a risk materializing. In such case, the Client shall be responsible for all related losses they may suffer.

7. TRADING ON MARGIN

7.1 Trading on margin means that The Company provides Clients with a facility that allows them to leverage deposit to entered into a larger transaction. Margin can be used to create 'leverage', which is an increased buying power that allows

the Client to pay less than full price for a transaction than would be possible only using their deposit. However, this leverage means that relatively small market movements can have a disproportionately larger impact on the value of trading account. If the underlying market movement is in favor, Client may achieve a good profit; however, an equally small adverse market movement can quickly have an adverse effect on the Client resulting in the loss of entire deposit and it may further expose the Client to a large additional loss over and above the Clients original deposit.

7.2 It is the Clients responsibility to regularly monitor their positions and ensure they are able to quickly add additional funds to their trading account to maintain open positions and avoid a stop-out.

7.3 For further information, please refer to the 'Margin and Leverage' section of the 'Order Execution Policy'**.**

8. NO ADVICE

8.1 The Company may, from time to time and as often as it deems appropriate, release and/or distribute third party material (the "Material") containing information including but not limited to the conditions of the financial markets. Such Material will be available on our Main Website and other media.

8.2 The Material is considered to be marketing communication only and does not contain, and should not be construed as containing, investment advice and/or an investment recommendation and/or, an offer of or solicitation for any transactions in financial instruments; any decision to enter into a specific transaction shall be made by the Client following an assessment by themselves on their situation. The Company makes no representation and assumes no liability as to the accuracy or completeness of the information provided, nor any loss arising from any investment based on a recommendation, forecast or other information supplied by any employee of The Company, a third party or otherwise. All expressions of opinion included in the Material are subject to change without notice. Any opinions and/or statements made may be personal to the author and may not reflect the opinions of The Company.

8.3 The Company does not provide investment, financial, legal, tax, regulatory or other advice relating to investments or trading CFDs. Any material or information or other features, which may be provided to you is available on our Main Website, trading platforms, marketing or training events or otherwise, is generic and shall not be considered as advice or based on a consideration of your personal circumstances. Clients should seek independent professional advice from a suitably qualified advisor, if necessary, prior to engaging in trading CFD with us.

9. PAST PERFORMANCE

9.1 Past performance, simulation or prediction of Financial Instruments is not an indicator of future performance. Clients should not rely on the past performance as a guarantee of future investment performance.

9.2 Clients should note that the value of their investment can decrease (or increase) since the market price of the underlying asset may fluctuate downwards (or upwards).

10. CORPORATE ACTION

10.1 Certain Financial Instruments may be affected by corporate actions such as rights issues, mergers, dividend payments or takeovers. Your position may be treated differently to physical positions and this may have an adverse effect on the outcome of your trade.

11. ABNORMAL MARKET CONDITIONS

11.1 The Client acknowledges that under abnormal market conditions the period during which the orders are executed:

(i) may be extended or

(ii) it may be impossible for orders to be executed at declared prices or (iii) may not be executed at all.

11.2 Abnormal market conditions include but not limited to times of rapid 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.

12. INSOLVENCY

12.1 The Company’s insolvency or default or the insolvency or default of any parties involved in transactions undertaken by the Company on the Client’s behalf (including brokers, execution venues and liquidity providers), may lead to positions being liquidated or closed out without the Client’s consent, resulting to losses that might be suffered by the Client. In the unlikely event of the Company’s insolvency, segregated Client funds cannot be used for reimbursement to the Company's creditors.

13. COMMUNICATION BETWEEN THE CLIENT AND THE COMPANY

13.1 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.

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

13.3 The Company bears no responsibility if unauthorized third persons has 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.

13.4 The Client acknowledges that they remain fully responsible for the risks in respect of undelivered internal mail messages sent to the Client by the Company through the online trading systems.

14. FORCE MAJEURE EVENTS

14.1 In case of a force majeure event The Company may not be in a position to arrange for the execution of Client orders or fulfil its obligations under the agreement with the Client. Consequently, the Client may suffer financial loss.

14.2 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 where such failure, interruption or delay is due to a force majeure event.

15. CLIENT ACKNOWLEDGEMENT

15.1 The Client herby acknowledges and declares that they have read thoroughly, understood and thus accept without any reservation all the information included herein.

16. LANGUAGES

16.1 Language of communication binding contractual documentation between the Company and the Client shall be in English.

16.2 Upon its sole discretion The Company, may communicate with the Clients in other languages than English, however in case of any discrepancy between the meanings of any communications and/or any other communications forming part of this Notice and/or any other agreements, information and/or communication in any other language, the meaning of the English language version shall prevail.

16.3 The Company or third parties may have provided the Clients with translations of this Notice, however, the original English versions shall be the only legally binding version. In case of discrepancies between the English version and other translations in the Client's possession, the original English version provided by The Company on the Website shall prevail.