

RISK WARNING STATEMENT

February 2025



1. Scope of the Notice

- 1.1. Trading Moon (the “Company”, “us”, “we”, “our”, “ours” or “ourselves” as appropriate) provides you with this ‘Risk Disclosure Notice’ (the ‘Notice’) to help you understand the risks that might arise when trading Contracts for Difference (‘CFDs’). However, you need to bear in mind that the Notice does not contain all the risks and aspects involved in trading CFDs. The Client (the “Client”, “you”, and “your”) should carefully read the Notice in conjunction with the ‘Client Agreement’ and the documentation/ information available to you through our Website.
- 1.2. If you have objections to any of these general terms and conditions, or any part thereof, and/or if you do not agree to be bound by these general terms and conditions, or any part thereof, do not access and/or use our online trading facility in any way and inform us in writing immediately.
- 1.3. By accepting this Notice, you agree to be bound by these terms and conditions and our Client Agreement. In the event of any conflicts or inconsistency between our Client Agreement and this Notice, our Client Agreement shall prevail.

2. Business Model

- 2.1. This Notice is information and we make no warranties or guarantees in respect of the content. The terms herein do not take into account the investment objectives, financial situation or disclosure of all risks associated with our investment services. You acknowledge and accept to obtain individual financial advice based on your own particular circumstances before making an investment decision on the basis of information on this Notice.
- 2.2. The Client has read, understood and accepts to the risk including but not limited to the below:
 - 2.2.1. A Financial Instrument related to foreign markets may involve risks that are different from the usual risks of the markets in the Client's country of residence. In some circumstances, these risks may be larger. The profit or loss from transactions in foreign markets is influenced by exchange rate risk and other international factors such as geopolitical risk.
 - 2.2.2. Financial Instruments may be not liquid as a result of reduced demand or/supply, that is, the Client may not be in a position to sell them or/ easily obtain information on the price of these Financial Instruments.
 - 2.2.3. Tax implications are the sole responsibility of the Client. The Client shall make sure that investing in CFDs is not subject to tax and/or any other duty in the Client’s jurisdiction. The Client is responsible for any taxes and/or any other duty which may accrue in respect of his trades.

3. Nature of CFDs

- 3.1. Trading CFDs is highly speculative, involves a significant risk of loss and is not suitable for all investors but only for those Clients who:
 - 3.1.1. understand and are willing to assume the economic, legal and other risks involved;
 - 3.1.2. are experienced and knowledgeable about trading in derivatives and in underlying asset types; and

3.1.3. are financially able to assume losses significantly in excess of margin or deposits because investors may lose the total value of the contract, not just the margin or the deposit.

3.2. CFDs transactions are not considered appropriate investments for retirement funds. CFD transactions carry a higher level of risk on types of investors and can result in large losses of invested capital. The Client represents, warrants, acknowledges and understands the associated risks, is willing and able, financially and/or otherwise, to assume the risks of trading CFDs and that the loss of Client's entire account balance will not change the Client's lifestyle.

4. Risks Associated with Trading in CFDs

4.1. CFDs are leveraged products that carry a higher level of risk to the Client's capital compared to other financial products and may result in the loss of all of your invested capital. However the Company operates on a 'Negative Balance Protection' basis, this means that you cannot lose more than your initial investment. The value of trading CFDs may increase or/degree depending on the Abnormal Market Conditions.

4.2. Being long in CFD means you are buying the CFDs on the market by speculating that the market price of the underlying will rise between the time of the purchase and sale. As owner of a long position, you will generally make a profit if the market price of the underlying rises whilst your CFD long position is open.

4.3. On the contrary, you will generally suffer a loss, if the market price of the underlying falls whilst your CFD long position is open. Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closure of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open.

4.4. Being short in CFD means you are selling the CFDs on the market by speculating that the market price of the underlying will fall between the time of the purchase and sale. As owner of a short position, you will generally make a profit if the market price of the underlying falls whilst your CFD short position is open.

4.5. On the contrary, you will generally suffer a loss, if the market price of the underlying rises whilst your CFD short position is open. Your potential loss may therefore be bigger than the initial margin deposited. In addition, you might suffer a loss due to the closure of your position, in case you do not have enough liquidity for the margin on your account in order to maintain your position open.

5. Leverage Risks

5.1. The high degree of "gearing" or "leverage" is a particular feature of both CFDs. The effect of leverage makes investing in CFDs riskier than investing directly in the underlying asset. This stems from the margin system applicable to CFDs which generally involves a small deposit relative to the size of the transaction, so that a relatively small price movement in the underlying asset can have a disproportionately dramatic effect on your trade. This can be both advantageous and disadvantageous. The leverage used by retail Clients has been fixed at 30:1, which may vary depending on financial products.

5.2. A small price movement in your favour can provide a high return on the deposit, however, a small price movement against you may result in significant losses. Your losses will never exceed the balance of your account, which is balanced to zero, if the losses are higher than the amount

deposited. Such losses can occur quickly. The greater the leverage, the greater the risk. The size of leverage therefore partly determines the result of your investment.

6. Margin Requirements

- 6.1. The Client must maintain the minimum margin requirement on their open positions at all times. It is the Client's responsibility to monitor his/her account balance. You may receive a margin call to deposit additional cash if the margin in the account concerned is too low.
- 6.2. The Company has the right to liquidate any or all open positions whenever the minimum margin requirement is not maintained and this may result in the Client's CFDs being closed at a loss for which you will be liable.
- 6.3. In addition, the Client needs to continuously monitor any open positions in order to avoid positions being closed due to the unavailability of funds, and it should be noted that the Company is not responsible for notifying you for any such instances.

7. Cash Settlement

- 7.1. The Client understands that trading CFDs can only be settled in cash and the difference between the buying and selling price partly determines the result of the investment.

8. Rights to Underlying Assets

- 8.1. The Client has no rights or/ obligations in respect of the underlying instruments or assets relating to CFDs. You understand and accept that CFDs can have different underlying assets, such as stocks, indices, currencies and commodities.

9. Risk Associated with Forex

- 9.1. Trading CFDs on Forex (also known as Foreign Exchange) with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when such transaction(s) is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency.

10. One Click Trading and Immediate Execution

- 10.1. The Company's online trading system provides immediate transmission of Client's order once Client enters the notional amount and clicks "Buy/Sell." This means that there is no opportunity to review the order after clicking "Buy/Sell" and Market Orders cannot be cancelled or modified. This feature may be different from other trading systems you have used. The Client should utilize the Demo Trading System to become familiar with the Online Trading System before actually trading online with the Company. The Client acknowledges and agrees that by using the Company's online trading system, and the Client also agrees to the one-click system and accepts the risk of this immediate transmission/execution feature.

11. Telephone Orders

- 11.1. The Company is not responsible for malfunction, disruption or failure of facilitating execution via telephone, and does not guarantee its telephone availability. The Client is aware that the Company may not be reachable by telephone at all times and thus the Client can place his orders through online access to the Company's Trading Platform.

12. Non-Guaranteed Advisory and/or Fiduciary Services

12.1. The Company is not an adviser or a fiduciary to its Clients. We may provide generic market recommendations, such generic recommendations do not constitute a personal recommendation or investment advice, and have not considered any of your personal circumstances or your investment objectives, nor is it an offer to buy or sell, or the solicitation of an offer to buy or sell, any Foreign Exchange Contracts or/ Cross-Currency Contracts. The decision of a Client to trade on CFD with the Company and each decision as to whether a transaction is appropriate or/ proper for the Client, is an independent decision made by the Client.

12.2. The Company is not acting as an advisor or serving as a fiduciary to Client. The Client agrees that the Company has no fiduciary duty to Client, and no liability in connection with and is not responsible for any liabilities, claims, damages, costs and expenses, including attorneys' fees, incurred in connection with the Client following the Company's generic trading recommendations or taking or not taking any action based upon any generic recommendation or information provided by the Company.

12.3. Non-Guaranteed Disclaimer

12.4. The Company does not guarantee recommendations. The generic market recommendations provided by the Company are solely based on the judgement of the Company's personnel and should be considered as such. The Client acknowledges that any transactions undertaken by the Client are based on their sole judgement. Any market recommendations provided are generic only and may or may not be consistent with the market positions or intentions of the Company and/or its affiliates.

12.5. The generic market recommendations of the Company are based upon information believed to be reliable, but the Company cannot and does not guarantee the accuracy or completeness thereof or represent that following such generic recommendations will reduce or eliminate the risk inherent in trading CFDs.

12.6. There are no guarantees of profit nor of avoiding losses when trading CFDs. 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 CFDs and is financially able to bear such risks and withstand any losses incurred.

12.7. The Publications of the Company are not updated after their release and may due to changing circumstances become inaccurate and misleading to its Clients after a period which may vary from seconds and minutes to days, weeks and months depending on the Information. We assume no liability and no guarantee towards any recipient, for Publication being outdated.

12.8. We shall endeavour to obtain information from reliable sources, but without any kind express or implied warranty of all publications. The Company shall not be liable for any Publication not being complete, accurate and suitable including but not limited to (1) accuracy and/or discontinuance of any market quotations; and (2) any error, inaccuracy, interruption or/ omission in providing market quotations.

12.9. We reserve the right at its sole discretion to withdraw or/ amend any Publication or Information provided at any time without notice (prior or subsequent).