

RISK DISCLOSURE NOTICE

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1. Risk Disclosure Notice

Prior to offering our services to you, we require you to read the following Risk Disclosure Notice.

2. Introduction

Foreign Exchange, spread betting and CFD trading are high risk and not suitable for everyone. You should carefully consider your investment objectives, level of experience and risk appetite before deciding to trade with us. Most importantly, do not invest money you cannot afford to lose.

There is considerable exposure to risk in any off-exchange transaction, including, but not limited to, leverage, creditworthiness, limited regulatory protection and market volatility that may substantially affect the price, or liquidity of the markets that you are trading.

It is important that as a potential customer that you understand the key risks related to opening an account and trading with Vantage Global Prime LLP ("Vantage Markets" or "Vantage"). It is important to keep in mind one of the main principles of investing: the higher the risk of losing money, the higher potential reward. The reverse also, is generally true: the lower the risk, the lower the potential reward. Trading in currencies may not be suitable for all investors and should not be considered a complete investment programme. This document sets out the key risks to which you may be exposed as a client of Vantage when depositing money with the firm and proceeding to execute trades with Vantage.

Agreeing to execute and accept the terms of the Client Agreement creates a binding contractual relationship between you and Vantage. Breach by you of the Client Agreement may have legal consequences, including, without limitation, that you may become the subject of legal action for breach of contract.

3. News Trading is not permitted

Unless expressly agreed in writing with Vantage, news trading is not permitted with Vantage and any such trades, be they manual or automated, if discovered by Vantage, will be cancelled. The reason for this is simple. This form of trading is regarded as amongst the most toxic form of trading by our liquidity providers. This risks our very business continuity if one of our liquidity providers widens our spread so much as to make us uncompetitive or worse, terminates the transactions in question or our liquidity feed entirely. So, if you want to news- trade, either talk to us first so we can provide guidance but don't do it on our prime retail feeds. It is not what we offer them for as you will ruin the pricing and/or the venue for the vast majority of our compliant retail client base. Too many news-traders conceal their strategy and have their trades cancelled. It is not worth it. A final point, whether you call your strategy a "momentum" or "break-out" strategy or any other name, we know how to identify a "news-trade" and will call expert witnesses to support our contentions. Thank you for your understanding.

4. Risk of Loss and Margin Calls

Trading with Vantage involves considerable risk and can result in the loss of some, or all of your funds deposited. In certain circumstances, it is possible that you may lose more than your original amount invested (such excess loss, the "Shortfall") and you will be required to repay the Shortfall immediately to Vantage. The Shortfall could be a substantial amount relative to the size of your initial deposit or the equity in your account, and it could even be multiples of any such amounts.

If you are in any doubt regarding the risks or suitability of these investments, you should seek the advice from an independent financial advisor.

5. Margin Calls and Margin Cuts

If you maintain trade positions in your trading account which exceed your Margin Limit due to adverse movements in your trading positions, you will be required to deposit additional funds immediately into your Account. If you do not do this, as soon as you hit 200% Exposure (as calculated by the Electronic Trading System), some or all of the positions will be closed, at Vantage's discretion, in order to bring your trade exposures within the Margin Limit.

6. Suitability Considerations – Is this right for you?

When we take you on as a client, we provide a suitability assessment and a recommendation whether trading with Vantage is suitable and appropriate for your particular circumstances. We do this by asking you questions concerning your trading history, financial knowledge and experience, and financial resources. Despite this process and the ensuing recommendation, you may still lose money by trading with Vantage and you should not regard this suitability assessment as a substitute for a disciplined and considered approach to your trading and personal responsibility for your education and appropriate risk-management which may permit you to be successful as a trader.

7. Effect of Leverage

Spread betting and trading foreign exchange and contracts for difference involves the use of "leverage" or "gearing". This means that you can, with use of a small deposit, known as the "margin", place a trade controlling a substantially higher notional value, up to 100 times the size of the margin used for an individual trade. When market prices move, "leverage" has the effect of the change in the value of the trade being magnified or accelerated, relative to other forms of investment activities with which you may be familiar (e.g., when you buy shares or units in funds/ collective investment schemes). As such, small changes in the value of the underlying instruments you are trading may have a large negative impact on the value of your trading account. You may also understand this concept in theory, but there is no substitute for actually seeing how leverage works in practice to see if you are comfortable with this form of trading.

8. Market Risks

All markets can be subject to considerable movements caused by many different factors. By way of example only, some currencies may experience significant declines against some other currencies and devaluation of any such currencies may occur subsequent to your investment in these currencies. These may include, but not limited to unexpected interest rate decisions, political or budgetary statements by competent authorities and/or governments. Consequently, prudent traders set stop losses when placing trades to limit their potential losses, but it is important to understand that stop losses are not guaranteed risk-management tools and will not work in certain situations, including, but not limited to, the following:

(a) Gapping

The price of an underlying instrument may move by a large amount and there may be no liquidity providers quoting prices at all within a given range around the applicable underlying instrument's spotprice (just prior to the market movement) in which case your stop loss will not be filled at the requested level. If this happens, the

stop loss will only be honoured on the first available closest quoted price in the market.

(b) Insufficient liquidity

A stop loss may not be honoured if no market quote exists in the desired amount for a requested stoploss transaction size. An example of this occurs when trying to risk manage a large position for a less liquid currency pair or if a single stock CFD transaction is large relative to the average daily volume ofa given underlying stock. As stated above, your stop loss will not be filled at the requested level. Ifthis happens, the stop loss will be honoured on the first available quoted price in the market.

9. Execution and Liquidity Risks

It is possible for your market order to be rejected. This could occur for the following reasons including, without limitation, due to system latency (the speed of trade execution), volatile market conditions/ insufficient liquidity; incorrect order placing by you; slippage in excess of your prescribed limits or other forces outside of Vantage's control (see Force Majeure).

Limit orders may be affected by liquidity conditions relative to the size of your order and those other orders placed at a given price which may result of them not being filled.

Stop orders may be gapped and filled at the first available market price, thereby reducing their effectiveness from time to time.

10. Credit and Systemic Risks

Vantage transacts with third party banking institutions to hold client money and also deposits client margin with our liquidity counterparty, which itself is a regulated banking institution, so as to be able to execute transactions on your behalf. The insolvency of any of these third-party entities may cause the insolvency of Vantage and may delay the return of client moneys to you. Note however that Vantage attaches the greatest importance to client money protection and has taken steps to protect client funds. Please refer to Safety of Funds under Trading Conditions on the Site for more information. In general, certain eligible claimants may be entitled to some compensation from the Financial Services Compensation Scheme in the event of a client money shortfall due to Vantage's insolvency or winding up. Vantage is also required to hold a statutory amount of regulatory capital as a financial buffer to mitigate the adverse financial effects of its insolvency and/or winding up on its clients. For further information, please read our Pillar 3 Risk Disclosure Statement.

11. Vantage Risk Management Changes

Vantage may be required at any time and without notice to amend the terms on which certain instruments may be traded or traded at all to protect the firm against over-concentration of risk. For example, initial or variation margin may be increased, certain underlying instruments may become prohibited, or your account's Margin Limit may be increased. When this happens, clients will be notified in writing and this may result in you being required to close some or all of your open positions, possibly at a loss.

12. Regulatory Risk

Competent authorities may prohibit certain transactions outright or otherwise bans on specific trade positions, including, without limitation, bans on short selling of financial stocks, government bonds CFDs. Regulatory bodies may also exercise their statutory

discretion to compel the firm to cease trading which will result in your positions being closed or alternatively, you and/or the firm may be prevented from closing or risk managing your positions, or the firm may even be prevented from notifying you that such events have taken place for a given period of time. You are likely to suffer loss in any of these situations[1].

Competent authorities may also impose increasingly onerous compliance & reporting obligations, licensing fee, regulatory capital or other operational requirements on the firm which may, in severe circumstances, result in the firm ceasing to trade. Vantage takes a prudent approach to its liquidity and capital requirements to mitigate this risk.

13. Risk and Force Majeure

If the Vantage's own technology or that of its liquidity counterparty or any third-party infrastructure on which its operations are dependent, including, without limitation, its data centre servers or commercial broadband as well as back-up providers or systems for essential infrastructure, suffers a fault for whatever reason, you may suffer loss as a result. The firm will in each circumstance assess the reason for the losses incurred and, where possible and at its sole discretion, compensate the affected clients.

If an extraordinary event outside the control the firm occurs, known as an Act of God or force majeure event, which includes, without limitation, war, strike, riot, crime, hurricane, flooding, earthquake, volcanic eruption, which prevents the firm from fulfilling its contractual obligations to you (each, a "Force Majeure Event"), your positions may be closed or may be unable to be managed for a period of time. You may suffer loss as a result of a Force Event occurring.

14. Execution Only / No Advice or Fiduciary Relationship

Clients of Vantage are self-directed investors executing on an execution-only basis. This means that the Vantage is not your advisor or acting in any fiduciary capacity for you. You are responsible for the trades you place, how you monitor the trades and any losses that result from this activity. As set out in the Client Agreement, Vantage shall not be liable for any losses you incur due to the results of your trading activities.

15. Nature of Transactions and Pricing – Synthetic OTC Derivatives / No ownership interest in any Underlying Instruments

All transactions you execute with Vantage are synthetic derivative transactions. This means that you have no ownership interest whatsoever in any underlying instrument you are trading. Your rights are contractual only to receive any profit owed to you and your obligations are to pay any losses you incur as a result of your contractual relationship with Vantage.

This type of contractual relationship is known as an "over-the-counter" or "OTC" contractual relationship which means that you have a private contractual agreement with Vantage only. The prices quoted to you reflect the prices which Vantage receives from its liquidity counterparty and the underlying market liquidity providers. The prices are not quoted on any stock or derivatives exchange and therefore will be different from any other provider of equivalent derivative instruments.

Whilst Vantage will provide best-execution for its client transactions, you have no

[1] Please refer to www.fscs.org.uk for further information as detailed rules apply. Arrangements may change from time to time.

guarantee that your quoted prices will be the best-available market prices at any time.

16. Tax Consequences

Trading with Vantage may have tax consequences for you in the jurisdictions in which you pay tax. Vantage does not provide any tax advice you are responsible for all and any tax consequences of your trading activities with Vantage. If you are in any doubt, you should consult a tax advisor to discuss your personal circumstances.

17. Market Events and Corporate Actions

Other than third-party information sources which Vantage may provide from time to time (such as market event calendars) and without any liability for having done so, Vantage will not advise you that any significant market news is pending or has occurred, nor will Vantage convey any corporate actions or other notifications from underlying single stocks, including, without limitation, any information concerning rights issues, dividends, share splits, mergers, etc.