

RISK DISCLOSURE

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The purpose of this Disclosure is to provide you with the information about the risks associated with the implementation of operations with investment instruments and to warn about possible losses. Please pay your attention to the fact that the list of risks referred to in the text of this Disclosure is not exhaustive. In connection with certain specific use of investment instruments, as well as due to the possible considerable diversity of trading situations and a lack of a stable environment in which they occur, new risks which are not covered by this document may emerge.

Before deciding on the performance of operations with investment tools you must carefully and thoroughly analyze the questions about the purpose of investment, to assess properly your knowledge and experience in this field, while taking into account your ability and willingness to take risks when making transactions.

Note that, as a private Customer, for objective reasons, you may not have sufficient experience and skills to trade in financial instruments and thus you may involve yourself into increased risks. Trading and investment operations in the instruments of financial markets have increasing risks as a partial or a total loss of the initial capital. In addition, due to the specific nature of the financial market, there can be no guarantees for fixed income and profitability of risky investments. Each customer conducting transactions with investment instruments must clearly understand that this type of activity contains a high level of risk.

The main risks arising from transactions with investment instruments are classified according to various sources of occurrence:

Market risk

Market risk means the risks of impairment of assets due to unfavourable changes in the market value of financial instruments of the trading portfolio and in derivative financial instruments, as well as in the exchange rates of currencies and precious metals. Market risk includes: equity risk - the risk of losses due to adverse changes in market prices of security asset – stocks of trading portfolio, including securing the right to participate in management, and financial derivatives under the influence of factors related both to the issuers of securities and derivative financial instruments, and the general fluctuations of market prices of financial instruments. currency risk - the risk of losses due to adverse changes in foreign exchange rates and/or precious metals prices on the open positions in foreign currencies and/or precious metals and crypto currencies.

Technical risk

While using the trading platform, the client runs the risk associated with the technical support of system performance, including possible failures in hardware and software, telecommunication disturbances, unauthorized access. The result of any technical failure in the trading platform may be a failure in a whole transaction or an operation on parameters other than specified by you.

A technical risk is a possibility of significant losses due to a failure of technical equipment and communication channels, which are used to carry out activities with investment instruments.

The abovementioned fault may be both of a hardware and software nature, and may be associated with both objective reasons, and a customer's non-compliance with the rules of equipment exploitation. The client is aware of the importance of ensuring the safety of passwords to protect access to his/her personal office and personal information from unauthorized access by third parties, and fully assumes all risks associated with the compromise of passwords.

The Customer acknowledges the possibility of loss of confidentiality of important information and unauthorized access by a third party to the trading account as a result of a non-compliance with rules for use of technical means and communication channels, as well as neglecting of the privacy policy. The level of risk related to the trading platform is fully determined by the degree of Customer's care and caution to select the conditions of storage and the use of means of access, the quality of equipment used by the Client for Internet access.

Socio-political, tax and legal risks

Socio-political and legal risk represent a possibility of losses due to changes to the existing legislation, in particular relating to the fiscal system (taxes), as well as due to significant changes in the economic and political situation related to the change of government and administration, President, Government, Parliament, and the subsequent social instability.

Force majeure circumstances

This risk arises from the circumstances that can not be anticipated and influenced:

- acts of terrorism;
- hostilities;
- suspension of activities of financial markets;
- instability in the financial markets, accompanied by a sharp fall in liquidity;
- natural disasters;
- governments decisions;
- foreign exchange interventions;
- significant changes to the order of the companies operating in the international currency market FOREX and CFD markets and futures contracts, crypto currencies markets and other investment vehicles.

This list of force majeure circumstances is basic and is not exhaustive.

Other risks

More of this, the crypto currency trading has specific risks, which are not shared with other official currencies, goods or commodities in a market. Unlike most currencies, which are supported by government reserves or other legal entities, as well as commodities such as silver and gold, the crypto currency is a "flat" currency, which is only backed by mathematics, technology and trust. The crypto currency is absolutely decentralized, which means there is no authority that can take corrective measure to protect the value in a crisis or issue more currency.

The crypto currency is an autonomous and mostly unregulated worldwide payment system. When using it - traders put their trust in the digital, decentralized and mostly anonymous system, which relies on p2p networking and cryptography to maintain its integrity.

The crypto currency trading is susceptible to irrational or rational bubbles or absolute loss of confidence, which could collapse demand/supply. Any actions, even remotely connected to it can crash confidence in this currency, such as unexpected changes imposed by the currency developers, a government crackdown, the creation of a superior competing alternative, or even a deflation or inflation spiral. Confidence might also collapse because of various technical problems: if the anonymity of the system can be compromised, funds lost or stolen, or in the event that hackers or governments become able to prevent crypto currency transactions from settling.