





# RISK DISCLOSURE STATEMENT







#### Risk disclosure statement

### 1. Purpose

The purpose of the Risk Disclosure Statement ("Statement") is to provide appropriate advice to the Client regarding the nature and risks of specific types of financial instruments, offered by RISING CRYPTO OFFICIAL LIMITED ("the Company").

The Client understands, understands and agrees to the risks disclosed below.

## 2. The legal framework

This statement is based on the provisions of the Investment Services and Activities and Regulated Markets Act of 2007 (No. 144 (I) / 2007) implementing Directive 2004/39/EC of the European Parliament and of the Council on Markets in Financial Instruments. ("MiFID"). It should be noted that this Statement does not purport to disclose or discuss all risks and other significant aspects of all transactions entered into with or through the Company or through it. We describe the general nature of the risks associated with transactions in financial instruments in a fair and non-misleading manner. You should therefore ensure that your decision is made on an informed basis and, at a minimum, you should take into account all of the following.

#### 3. Statement

Trading is highly speculative and risky. Contracts for Difference ("CFDs") are complex financial products, most of which do not have a set maturity date. Thus, a CFD position will mature on the day that you decide to close out an existing open position. CFDs, which are a leveraged product, carry a high level of risk and can result in the loss of all your invested capital. Trading CFDs is highly speculative and therefore suitable only for those customers who (a) understand and are willing to assume the economic, legal and other risks involved, (b) are financially able to assume the risk of loss to the extent of their invested capital, and (c) understand and are knowledgeable about CFDs and underlying assets. Client represents, warrants and agrees that he/she understands these risks and is willing and able, financially and otherwise, to assume the risks of trading CFDs. Before deciding to trade, the Client must ensure that he/she understands the risks involved and takes into account his/her level of experience and, if necessary, seek independent advice. Client is responsible for all losses incurred on his account. Consequently, the Client must be prepared to lose all invested capital.

Risks associated with CFD trading The following major risks must be considered when trading CFDs:

CFDs are leveraged products; therefore, they carry a higher level of risk to your capital than other financial products and may result in the loss of all your invested capital. However, it should be noted that the Company operates on a "negative balance protection"; this means that you cannot lose more than your original investment.

The value of CFDs can increase or decrease depending on market conditions, and potential profits must be balanced against the significant losses that can occur in a very short period of time when trading CFDs.

CFD trading, unlike traditional trading, allows you to trade the markets by paying only a small fraction of the total cost of the trade. However, it entails that a relatively small market movement can result in a proportionately much larger change in the value of your position. The company offers flexible leverage from 1: 1 to 1: 300.

The Client must ensure that he/she always has sufficient margin on his/her trading account to maintain an open position. In addition, the Client should constantly monitor any open positions in order to avoid closing positions due to unavailability of funds; it should be noted that the Company is not responsible for notifying you of such cases.

Conflict of Interest. The Company is the counterparty to all transactions entered into pursuant to the Client Agreement and, as such, the Company's interests may conflict with the Client's interests. The conflict of interest policy is available on the Company's website.

Prices are set by the Company and may differ from prices quoted elsewhere. The Company will provide prices to be used when trading and evaluating the Client's positions in accordance with its trading policies and procedures. Thus, they may not directly correspond to market levels in real time at the time of sale of options.

Rights to underlying assets. Client has no rights or obligations with respect to the underlying instruments or assets related to CFDs.

Telephone Orders and Immediate Execution. Market orders executed by telephone through the Company's Dealing Room are completed when the Company's telephone operator says "trade" or "executed" after Client has placed the order. After such confirmation of the telephone operator the Client has bought or sold and cannot cancel the order. By placing orders through the Company's Dealing Room, the Client consents to such immediate execution and assumes the risk of this immediate execution feature.

The Company is not a consultant or fiduciary of the Client. If the Company provides general market recommendations, such general recommendations are not a personal recommendation or investment advice and do not take into account any personal circumstances or investment objectives of the Client, and are not an offer to trade or an invitation to offer to trade. Client's decision in any CFD. Every decision Client makes about trading CFDs with the Company and every decision as to whether a trade is suitable or suitable for Client is an independent decision made by Client. The Company does not act as a consultant or fiduciary to Client. Client agrees that the Company has no fiduciary obligations to Client and shall not be liable for any liabilities, claims, losses, costs or expenses,

Advice is not guaranteed. General market recommendations provided by the Company are based solely on the judgment of its personnel and should be treated as such. Client acknowledges that it enters into any transactions in reliance on its own judgment. Any market recommendations provided are general only and may or may not correspond to the market positions or intentions of the Company and/or its affiliates. The Company's general market recommendations are based on information believed to be reliable, but

the Company cannot and does not guarantee its accuracy or completeness or represent that following such general recommendations will reduce or eliminate the risk inherent in CFD trading.

No profit guarantee. There is no guarantee of profit or loss avoidance when trading CFDs. Client has not received such guarantees from the Company or any of its representatives. Client understands the risks inherent in CFD trading and is financially able to bear such risks and withstand any losses incurred.

## **Risks**

## **Technical risks**

Internet Trading. When the Client trades online (via the Internet), the Company shall not be liable for any claims, losses, damages, costs or expenses caused, directly or indirectly, by any malfunction or failure of any transmission, communication system, computer equipment or trading software owned by the Company, the Client, any exchange or any settlement or clearing system.

Telephone Orders. The Company is not responsible for failures, malfunctions or malfunctions in telephone communications and does not guarantee their availability. For the avoidance of doubt, Client understands that the Company may not always be contacted by telephone and, therefore, Client may place his orders through online access to the Company's Trading Platform.

Market Conditions. The Client acknowledges that under abnormal market conditions the Company may not be able to comply with the Client's instructions and therefore the period during which instructions and requests are executed may be extended.

#### Communication

The Company shall not be liable for any losses resulting from delays or non-receipt of messages sent to the Client by the Company.

The Company shall not be liable for any losses resulting from encrypted information sent to the Client by the Company, access to which was obtained in an unauthorized manner.

The Company is not responsible for unreceived or unread internal messages sent to the Client through the trading platform(s); if the message is not received or read within 3 (three) calendar days, it is automatically deleted.

The Client is fully responsible for the confidentiality of any information contained in the message received by the Company.

The Company is not responsible for any losses resulting from authorized / unauthorized access to all information between the Company and the Customer by third parties.

Force Majeure. In case of force majeure the Customer assumes the risk of any losses.

Taxes. Client shall ensure that investing in CFDs is not subject to taxes and/or other duties in Client's jurisdiction. Customer is responsible for payment of any taxes and/or any other duties that may arise with respect to his transactions.

Costs, Swap Costs and Other Considerations. Before investing in CFDs, Client should be aware of all related costs, such as spread(s), commission(s) and swap(s). For purposes of these Regulations, swap means interest added or deducted for holding a position open overnight. The swap for a position opened on Wednesday and left open overnight is three times higher than on other days; The reason for this is that the value date for a Wednesday overnight transaction is usually Saturday, but since the banks are closed, the value date is Monday, and the client gets an extra two (2) days of interest payments. From Friday through Monday, the swap is charged in a lump sum.

Expiration System Failures. If the expiration system fails for any reason, it will automatically detect expired options and expire them according to the rates historically held in the archive. If any position does not expire in time, the system will send a notification to the Risk Manager and Compliance Officer detailing all position information to resolve the issue manually.

I/WE HAVE READ, UNDERSTAND AND AGREE WITH THE RISK DISCLOSURE STATEMENT AND THE TRADING POLICIES AND PROCEDURES SET OUT ABOVE.